

when it comes to rebuilding your banking history. When researching second-chance banks and credit unions, look for accounts with low or no monthly fees; no minimum balance requirements; few limits on daily or monthly transactions; and free services such as debit card access, online bill pay, and unlimited check writing. Some national banks that offer second-chance checking accounts include Chime, Wells Fargo, Green Dot Bank, and LendingClub. Credit Unions are also great options, such as Point West Credit Union in Oregon, which has a “Fresh Start Checking” option.⁵³

Checking Accounts

The Different Types of Checking Accounts:⁵⁴

Basic Checking: This is for people who use a checking account to pay certain bills and a debit card to pay daily expenses. Some basic accounts require direct deposit or a minimum balance to avoid monthly "maintenance" fees. You may be limited to a certain number of checks per month. If you exceed that number, you'll pay a "per item" fee for each additional check you write. You don't want to maintain a high balance in these accounts because you won't be paid interest.

Free checking: For most people, this is the best checking account. Free checking accounts mean that regardless of your balance or activity, you will not be charged any monthly service or per-item fees. In other words, you may write all the checks you like, or keep your balance as low as you like, without worrying about paying a fee. Free checking doesn't mean you won't have to pay any fees ever – for example, if you bounce a check, you'll have to pay a nonsufficient funds fee.

Interest-bearing: These accounts usually require a minimum balance to open, and you may need to maintain an even higher balance to avoid fees. For example, a bank may require \$100 to open an account, but will charge \$10 in service fees each month if you don't maintain a \$1,500 balance. Interest usually is paid monthly. However, these accounts pay a very low interest rate so for most people, it's simply not worth maintaining the high required balance.

Joint Checking: An account owned by two or more people (usually people who share a household and expenses). Each co-owner has equal access to the account. Most types of accounts, whether it's basic checking, savings, or money market, allow for joint use. Good

⁵³ Spencer Tierney & Chanelle Bessette “Second Chance Checking Accounts Across the U.S.” *NerdWallet* Aug. 13, 2020. <https://www.nerdwallet.com/article/banking/second-chance-checking>

⁵⁴ Karren Bennett. “10 Types of Checking Accounts.” *Bankrate* September 14, 2021. <http://www.bankrate.com/finance/checking/types-of-checking-accounts-2.aspx>