House Bill 2445

Washington HB 2445 is a broad "ending probates for profit" bill aimed at preventing third-party profiteering from estates and tightening controls on personal representatives; it creates meaningful consumer protections but also adds complexity, timelines, and potential friction points that will matter to both consumers and title insurers.

Core changes that matter

- Targets "probate for profit" schemes by:
    - Tightening who can be appointed PR, especially in stranger-estate situations and "contract PR" appointments under new RCW 11.28.120(3).
    - Restricting PR self-dealing in "major probate assets" and imposing treble-damage sanctions for abusive conduct.
    - Creating a new framework for assignments of beneficial interests to "transferees for value," with disclosures, court oversight, and presumptions of undue influence close to date of death.
- Adds reporting and venue rules:
    - New mandatory PR reports: notice to heirs/beneficiaries and DSHS, estate account report, annual reports, and closing-timeline presumptions at 24 months.
    - Tightens or clarifies venue rules for probate, trusts, and related proceedings, especially when a petitioner is using RCW 11.28.120(3).

Consumer benefits

- Protection against "stranger PR" abuse
    - Harder for non-family, non-creditor "contract" PRs to swoop in and control estates of people with no readily acting next of kin; court must treat them as limited, closely scrutinized fiduciaries, with bonding and nonintervention restrictions.
    - Disqualifies personal reps who are tied to trades/professions likely to profit from sale/repair/transfer of major probate assets, reducing conflicts of interest around estate real property.
- Stronger control over "inheritance purchasers"

    - Requires written agreements in at least 10-point type, in the language used for negotiations, with clear disclosure of consideration, estimated value of the interest, and all fees/costs.
    - Bars provisions like hold-harmless, mandatory arbitration, recourse if the distribution is lower than expected, or agency rights beyond the assigned interest; agreements with those terms are voidable.
    - Creates a rebuttable presumption of undue influence if the purchase is offered or agreed within 120 days of death, giving heirs a strong tool to challenge predatory deals.
- More transparency and accountability in probate
    - PR must document the "reasonable search" for assets and for heirs/beneficiaries, file a third-party notice report within 30 days of appointment, and file an estate account report when an estate account is opened.
    - Annual (or requested) reports and a presumption that estates should be ready to close at 24 months give interested parties hooks to force status information or action.
- Remedies with teeth
    - Court can impose up to treble damages against a PR who self-deals in violation of the new restrictions, and up to three times the value of the assignment against a transferee for value who willfully violates the new section.
    - Strong sanctions (including revocation of letters) for failure to report, misuse of PR status, or deceptive conduct.

Consumer pitfalls / frictions

- More procedural complexity and cost
    - Additional reporting forms (notice report, estate bank-account report, annual reports) add work for small, "kitchen-table" estates, and missed deadlines may trigger court hearings and sanctions.
    - Families may need more legal help to navigate the new timelines, venue rules, and assignment-of-interest requirements, increasing cost of administration for modest estates.

- Potential delay and uncertainty in deals
    - Court's ability to inquire into, condition, or refuse distribution under an assignment can delay distributions or create uncertainty for a beneficiary who legitimately wants immediate liquidity by selling their interest.
    - The 120-day undue-influence presumption and the prohibition on certain contract terms may discourage some legitimate funding companies from operating in Washington or lead to more conservative pricing.
- Risk of over-deterrence
    - Honest non-family fiduciaries (e.g., good-faith "professional PRs" or nonprofits) may be discouraged by bond requirements, compensation limits (estate-only, court-controlled), nonintervention bars, and heightened sanctions risk.
    - Some heirs who would benefit from an experienced outsider stepping in (because family is absent or dysfunctional) may find it harder to get that help without added court scrutiny and cost.

Implications for title insurers

- Benefits for underwriting and risk management
    - Fewer abusive probate structures:
        - The bill is aimed squarely at schemes where a "professional" PR takes over a stranger's estate, sells dozens of properties, and leaves heirs with little or nothing; those schemes produce messy title histories and later litigation.
        - Stricter qualification rules, bonding for contract PRs, and limits on PR self-dealing should reduce the number of later challenges to estate sales, particularly claims that sales were voidable due to fiduciary conflicts.
    - Clearer record for assignments and estate sales:
        - Required filing/service of any transferee-for-value agreement and related declarations creates a clearer court record of who owns the beneficial interest and on what terms, which can be reviewed in title examination.

        - Court's explicit power to condition or refuse distribution under a problematic assignment, and to sanction under-value related-party purchases of major probate assets, gives title companies more confidence when relying on confirmed orders.
    - Venue and reporting tools for curative work:
        - Clarified venue rules and mandated timelines for reports and closing can help curative counsel identify the right court and procedural levers to move a stalled or mishandled probate toward a clean decree of distribution or sale authority.
- Pitfalls / operational challenges for title companies
    - More diligence on PR status and conflicts:
        - Examiners will need to confirm whether the PR was appointed under RCW 11.28.120(3), whether that PR is barred from nonintervention powers, and whether court approval was required (and obtained) for any self-dealing purchase of estate real property.
        - Where the purchaser of estate real property is a PR, or is tied to a transferee for value that bought a beneficial interest, underwriters may need to review the probate file for the specific court approvals and findings required by the new provisions.
    - Heightened risk of later challenges if requirements were missed:
        - If a transferee-for-value did not substantially comply with the statutory requirements, the court may refuse to honor the assignment or may impose alternative distribution terms; later challenges could attack the validity of prior sale approvals or distributions.
        - Underwriters may react by requiring:
            - Copies of the assignment and court findings where an assignment exists.
            - Affirmative evidence that no prohibited terms (e.g., hold-harmless, arbitration) are present or that any issues were cured by court order.
    - More frequent need to review non-probate and non-record materials:

- Because “major probate assets” and nonprobate assets factor into PR appointment, bonding, and conflict analyses, some risk assessments may require a deeper look at estate inventories, reports, and court minute entries, not just the deed and letters.
- For contracts executed close in time to death or where the buyer is a repeat “inheritance purchaser,” underwriting may need to consider the statutory undue-influence presumption and whether the court has already addressed it.