

47.102 Transportation insurance.

(a) The Government generally-

(1) Retains the risk of loss of and/or damage to its property that is not the legal liability of commercial *carriers* and

(2) Does not buy *insurance* coverage for its property in the possession of commercial *carriers* ([40 U.S.C. 17307](#)). (See [part 28](#), Bonds and *Insurance*.)

(b) Under special circumstances the Government *may*, if such action is considered necessary and in the Government's interest, (1) buy *insurance* coverage for Government property or (2) require the *carrier* to (i) assume full responsibility for loss of or damage to the Government property in its possession and (ii) buy *insurance* to cover the *carrier's* assumed responsibility. The cost of this *insurance* to the *carrier shall* be part of the transportation cost. (The Secretary of the Treasury prescribes regulations regarding *shipments* of valuables in 31 CFR parts 361 and 362.)

(c)

(1) If special circumstances dictate the need for the Government to buy *insurance* coverage, the *contracting officer shall* ascertain that-

(i) There is no statutory prohibition; and

(ii) Funds for *insurance* are available.

(2) The *contracting officer shall* document the need and authorization for *insurance* coverage in the contract file.

Parent topic: [Subpart 47.1 - General](#)