PART 1428 - BONDS AND INSURANCE

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

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Subpart 1428.3 - Insurance

1428.301 Policy.

1428.306 Insurance under fixed-price contracts.

1428.306-70 Insurance for aircraft services contracts.

1428.311 Solicitation provision and contract clause on liability insurance under cost-reimbursement contracts.

1428.311-1 Contract clause.

1428.311-2 Agency solicitation provisions and contract clauses.

Parent topic: SUBCHAPTER E - GENERAL CONTRACTING REQUIREMENTS

Subpart 1428.3 - Insurance

1428.301 Policy.

It is the policy of DOI to insure its own risks only when such action is in the best interest of the Government. Circumstances where contractors are required to carry insurance are listed under FAR 28.301 and 28.306. In these circumstances, the CO shall insert the clause at 1452.228-70, Liability Insurance - Department of the Interior, in solicitations and contracts.

1428.306 Insurance under fixed-price contracts.

1428.306-70 Insurance for aircraft services contracts.

(a) *Policy.* The CO shall insert minimum insurance requirements in aircraft services contracts in order to protect the Government and its contractors.

(b) *Applicability.* The clauses prescribed in section 1428.311-2 are applicable to all fixed-price contracts involving use of aircraft with either a contractor-furnished or a Government-furnished pilot except for one-time charters when Government exposure is minimal and time limitations are present.

1428.311 Solicitation provision and contract clause on liability insurance

under cost-reimbursement contracts.

1428.311-1 Contract clause.

The CO shall modify the clause at FAR 52.228-7, Insurance - Liability to Third Persons, in accordance with 1452.228-7, and insert in solicitations and contracts as prescribed in FAR 28.311-1.

1428.311-2 Agency solicitation provisions and contract clauses.

The following DOI clauses shall be used as prescribed:

(a) The CO shall insert the clause at 1452.228-71, Aircraft and General Public Liability Insurance - Department of the Interior, in solicitations and contracts when a fixed-price contract for operation of aircraft is anticipated and where the Government is using a contractor-furnished pilot.

(b) The CO shall insert the clause at 1452.228-72, Liability for Loss or Damage - Department of the Interior, in solicitations and contracts when a fixed-price contract for use of aircraft is anticipated and where the Government does not have a property interest and is using a Government-furnished pilot.

(c) The CO shall insert the clause at 1452.228-73, Liability for Loss or Damage (Property Interest) - Department of the Interior, in solicitations and contracts when a fixed-price contract for use of aircraft is anticipated and where the Government has a property interest in the aircraft and is using a Government-furnished pilot (*e.g.,* a lease with purchase option).