

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](#)