

CHAPTER 12  
ARTSAFE PROGRAM  
[Prior to 2/1/06, see 222—Ch 20]

**222—12.1(304A) Artsafe.** The artsafe program implements Iowa Code sections 304A.21 to 304A.29 authorizing the arts division to provide state of Iowa indemnification to eligible nonprofit Iowa organizations against loss or damage during the exchange, transportation, or exhibition of eligible art and artifacts.

**222—12.2(304A) Definitions.** The definitions of terms listed in Iowa Code sections 17A.2 and 304A.21 and 222—Chapter 1 shall apply for these terms as they are used throughout this chapter. In addition, the following definitions shall apply:

“*Board of regents*” means the Iowa board of regents.

“*Indemnity agreement*” means an agreement authorized by Iowa Code section 304A.22.

**222—12.3(304A) Program administration.** The artsafe program shall be administered by the arts division in cooperation with the department of administrative services, general services enterprise.

**222—12.4(304A) Organization eligibility.** Eligible organizations shall be those as outlined in 222—subrules 2.3(1) to 2.3(5).

**222—12.5(304A) Item eligibility.** The following items shall be eligible for inclusion in an indemnity agreement by an eligible applicant if they are of educational, cultural, artistic, historic, or scientific significance and constitute a portion of a special exhibition having an estimated total fair market value of at least \$250,000:

**12.5(1)** Works of art, including tapestries, paintings, sculptures, folk art, graphics, and craft art.

**12.5(2)** Manuscripts, rare documents, books, and other printed or published material.

**12.5(3)** Photographs, motion pictures, videotapes, and audiotapes.

**12.5(4)** Other artifacts.

**222—12.6(304A) Eligibility restrictions.** Items which are covered under the U.S. Art and Artifacts Indemnity Act shall not be eligible for coverage under the artsafe program.

**222—12.7(304A) Coverage limitations.**

**12.7(1)** Coverage of this program shall be limited to the time an object leaves the premises of the lender or place designated in writing by the lender until the time such object is returned to the place designated in writing by the lender.

**12.7(2)** The state shall provide indemnity coverage for up to 12 consecutive months. The state may indemnify items which travel to several sites, all within the state.

**12.7(3)** Coverage is extended only to the loss or damage in excess of the first \$2,000 but not exceeding \$5,000,000 in connection with any single exhibition or for any one location.

**222—12.8(304A) Application procedures.** Applications shall be submitted on official artsafe program forms obtained from the arts division.

**222—12.9(304A) Deadlines.** The application deadlines shall be the first Monday of February, July and October of each year.

**222—12.10(304A) Review criteria.** The following review criteria shall be used in reviewing artsafe program applications:

**12.10(1)** Physical security of exhibition facilities.

**12.10(2)** Safety of items during transit.

**12.10(3)** Experience and qualifications of personnel connected with the exhibit.

**12.10(4)** Eligibility of the applicant's exhibition facilities for commercial insurance coverage of art objects and artifacts exhibited there.

**12.10(5)** Availability of proper equipment to protect art objects and artifacts from damage from extremes of temperature or humidity or exposure to glare, sun, dust, or corrosion.

**12.10(6)** Record of damage to or loss of art objects or artifacts in the care of participating organizations.

**12.10(7)** Eligibility of items in the exhibition.

**12.10(8)** Value of the exhibition and indemnified objects.

**12.10(9)** Accuracy of the assigned value for items in the application. If the stated value of an object to be indemnified is questioned, the administrator may order an appraisal by an independent appraiser at the expense of the applicant.

**222—12.11(304A) Review process.** Review procedures as outlined in 222—subrules 2.2(1), 2.2(2) and 2.3(1) to 2.3(10) shall be used for the artsafe program. In addition, the administrator, in consultation with the general services enterprise, shall consult with an advisory panel in reviewing the qualifications of the applicant, the items, and the value of the items in the exhibit. Panel recommendations shall be reviewed by the council and the general services enterprise. Final decisions are made by the administrator, after approval of the council and the general services enterprise.

**222—12.12(304A) Indemnity agreement.** Recipients of artsafe funds shall sign an indemnity agreement agreeing to all conditions specified in the legislation, program guidelines and administrative rules. The recipients shall notify the arts division by telephone and in writing within 24 hours of any changes in the approved application form.

**222—12.13(304A) Notification of claim.** Applicants shall use the following procedures when notifying the arts division of a claim:

**12.13(1)** When the applicant has knowledge of loss of or damage to an indemnified item, the applicant shall notify the arts division within 24 hours. Any delay in notifying the arts division may reduce the recovery under the agreement to the extent that such delay has contributed to the increase of the loss.

**12.13(2)** The applicant shall report the following information when reporting any loss or damage:

*a.* Applicant name and address, project director or curator, title of the exhibition and title of object, type and description of loss or damage, date and time when loss or damage occurred, location where loss or damage occurred, and action applicant has taken to prevent further loss or damage;

*b.* The applicant is required to take all action necessary to protect the indemnified object or objects from further loss or damage after the initial loss or damage has occurred.

**222—12.14(304A) Final report.** All indemnity recipients shall submit a final report.

**222—12.15(304A) Submission of claims.** Claims shall be submitted no later than 30 days after the closing date of the agreement. Claims shall be sent to the Director, General Services Enterprise, Capitol Complex, Des Moines, Iowa 50319. The following procedures shall be used regarding claims:

**12.15(1)** All claims shall be reviewed by the general services enterprise. If the general services enterprise determines that the loss is covered by the agreement, the general services enterprise shall certify the validity of the claim and authorize payment, less any deductible portion, to the lender.

**12.15(2)** The general services enterprise may obtain expert advice from outside sources in order to properly review and, if necessary, adjust any claim submitted to the general services enterprise.

**12.15(3)** The general services enterprise shall, in all cases, consult the administrator before making final decisions on the disposition of any claim.

**12.15(4)** The value of any indemnified object or artifacts subject to any claim procedures shall not be assessed a greater value than stated in the approved application. If the value of the object or artifacts in the

approved application is higher than the current fair market value, the payment under this indemnification shall be based upon the lower fair market value of the object or artifacts.

These rules are intended to implement Iowa Code chapter 304A.

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