§ 25.13 Liability insurance. 1. A snowmobile which shall be operated on the roadway or shoulder of a highway or on property which is owned, leased or held in easement by a person other than the owner or operator of the snowmobile, shall be covered by a policy of insurance, in such language and form as shall be determined and established by the superintendent of financial services, issued by an insurance carrier authorized to do business in this state. Such policy shall provide coverage for any one person sustaining bodily injuries or the death of one person in any one accident in the amount of at least ten thousand dollars, and, subject to said limit of one person, in the amount of at least twenty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and in an amount of at least five thousand dollars because of injury to or destruction of property of others in any one accident, for damages arising out of negligent operation of said snowmobile. In lieu of such insurance coverage as hereinabove provided, the commissioner, in his discretion and upon application of a governmental agency having registered in its name one or more snowmobiles, may waive the requirement of insurance by a private insurance carrier and issue a certificate of self-insurance, when he is satisfied that such governmental agency is possessed of financial ability to respond to judgments obtained against it, arising out of the ownership, use or operation of such snowmobile. The commissioner may also waive the requirement of insurance by a private insurance carrier and issue a certificate of self-insurance upon application of any person or any other corporation, having registered in its name, one or more snowmobiles, and furnishing of proof that a certificate of self-insurance has been issued and is in effect by the commissioner of motor vehicles, pursuant to the provisions of section three hundred sixteen of the vehicle and traffic law.

2. Proof of insurance as required by this section shall be produced and displayed by the owner or operator of such snowmobile upon the request of any magistrate or any person having authority to enforce the provisions of this chapter. The failure to produce such proof upon the request of any such person shall not be an offense but shall be presumptive evidence that the snowmobile is being operated without having such insurance in force and effect.

3. Proof of insurance as required by this section shall be produced and displayed by the owner or operator of such snowmobile to any person who has suffered or claims to have suffered either personal injury or property damage as a result of the operation of such snowmobile by the owner or operator, if such insurance coverage was required under the circumstances of such operation. It shall be an affirmative defense to any prosecution for a violation of this subdivision that such proof was so produced or displayed within twenty-four hours of receiving notice of such injury or damage, or the claim of such injury or damage.

4. No owner of a snowmobile shall operate or permit the same to be operated upon the shoulders and roadways of highways or on property which is owned, leased or held in easement by a person other than the owner or operator of the snowmobile, without having in full force and effect the liability insurance coverage required by this section, and no person shall operate a snowmobile upon the shoulders and roadways of highways or on property which is owned, leased or held in easement by a person other than the owner or operator of the snowmobile, with knowledge that such insurance is not in full force and effect.