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The Department of the Interior today announced its endorsement of legislation that would permit the leasing of Indian lands on the Palm Springs Reservation in California and the three Seminole Reservations in Florida for periods up to a maximum of 99 years.

Under present law the maximum term permitted for such leases is 25 years with an option to renew for an additional 25 years.

In a report on H. R. 8712, Assistant Secretary Roger Ernst pointed out that the bill is needed to permit leases with a long term enough so that the lessee can obtain financing for the type of real estate development contemplated at the Palm Springs and Seminole Reservations. In both cases intensive development for residential or commercial use is being considered.

"Difficult problems arise under present laws limiting leases to what is the equivalent of a 50-year period," Mr. Ernst explained. "By the time financing is obtained by the lessee, the lease has less than 50 years to run. The Federal Reserve Act and the National Housing Act require a minimum of 50-year leases before approving loans secured by lease holdings."

"A longer term will permit the financing of maximum development of the tribal lands," he explained. "This does not mean that all leases will be for the maximum term allowed by law. The Department will not approve leases for terms longer than needed to get the best return for the Indian owners."