WASHINGTON -- Congress is one step away from giving final approval to a $94.5 billion spending bill that includes money to upgrade levees and restore Louisiana's hurricane-damaged housing stock.

The House passed the giant spending bill -- which includes $3.7 billion for levee upgrades and $4.2 billion in Community Development Block Grants to finance the state's Road Home housing recovery program -- by a lopsided 351-67 vote Tuesday. The Senate began debating the bill about five hours after the House action and is expected to vote final passage today.

"This legislation will provide Louisiana with the funding necessary to continue to rebuild and revitalize the areas of our state that were devastated by Hurricanes Katrina and Rita, and includes billions of dollars for housing redevelopment, flood protection, coastal restoration, health care and agriculture relief," said Rep. Bobby Jindal, R-Kenner.

Rep. William Jefferson, D-New Orleans, said the spending bill sends a signal to his constituents that "we in Congress are committed to helping those affected" by Katrina, which slammed the Gulf Coast last August and left almost 1,600 people dead and hundreds of thousands of people homeless.

A few feel 'stiffed'

Not everyone was happy with the bill.

Sen. Robert Byrd, D-W.Va., who Monday became the Senate's longest-serving member, said important financing for port security and the Coast Guard was eliminated because the White House insisted on trimming $14 billion from the Senate-passed bill. And Sen. Byron Dorgan, D-N.D., said that while the bill includes $500 million to help Gulf Coast farmers cope with hurricane-related losses, it eliminated financing for farmers elsewhere who suffered significant weather-related losses.

"We got stiffed," Dorgan said.

But as the Senate debated Tuesday night, Sen. David Vitter, R-La., said the bill provides the money needed for the "robust and aggressive" recovery promised by President Bush in his Jackson Square speech a little more than two weeks after Katrina hit.

The bill provides $3.3 million for the Army Corps of Engineers to submit an interim report to Congress, due in six months, on how to shut down deep-draft navigation on the Mississippi River-Gulf Outlet. The bill language says the secretary of the Army may refine the report, if necessary, as part of a final plan due in December 2007.

'Important progress'

"It's enormously important progress," Vitter said. The bill's provisions, along with language in another pending bill, ensure that the MR-GO "will be closed as a hurricane highway," he said.
Sen. Mary Landrieu, D-La., a member of the Senate-House conference committee that worked out the final bill, was prepared to give a floor speech today calling the legislation a major step forward in providing the long-term recovery and hope that so many hurricane victims have been seeking for the past 10 difficult months.

In addition to levee financing and housing assistance, the bill also includes $550 million to replace the Veterans Affairs Medical Center in New Orleans; $400 million for a pilot program in which private agencies could apply for financing to build "Katrina cottages" instead of the trailers traditionally used for emergency housing; $500 million for farms and $150 million for fisheries affected by Katrina and Rita; and $50 million in grants to colleges that suffered hurricane damage.

Under Louisiana’s Road Home program, the state will combine the $4.2 billion in block grants with $6.2 billion approved earlier to provide homeowners with their uninsured, uncompensated damages -- up to $150,000 -- to repair, rebuild, take a buyout and relocate within Louisiana, or sell their homes and leave the state. It also will include financing to encourage building replacement rental housing.

The levee money is broken down this way: $170 million for armoring critical areas of the levees in New Orleans, and $495.3 million to raise levee heights in the New Orleans area for the Lake Pontchartrain and West Bank levee projects, a project that will include cost-sharing with the state of Louisiana. The bill also includes $1.6 billion to reinforce or replace floodwalls in the New Orleans area, $530 million for levee closures and new pumping stations, $250 million for flood-proof interior pumping stations, and $350 million to build navigable closures on the Industrial Canal and the Gulf Intracoastal Waterway.

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