WASHINGTON -- Louisiana's two senators say they are optimistic that the additional $2.2 billion proposed by the Bush administration for levee upgrades and the full $4.2 billion proposed for housing assistance for the state will survive as Congress nears final action on an emergency spending bill.

The Senate is likely to complete work on a $105 billion bill for the wars in Iraq and Afghanistan as well as hurricane assistance next week. Negotiations will then follow with the House, and given the veto threat by President Bush, it's likely that the package will move closer to the $92 billion figure originally proposed by the White House and approved by the House.

Sen. David Vitter, R-La., said Friday that the levee and housing money, which he called vital to the state's recovery, appear safe. But he worries that some Senate add-ons, including $1.1 billion to help restore the Gulf Coast seafood industry, could be lost.

Sen. Mary Landrieu, D-La., said the request by Bush for additional levee financing is a "hopeful step forward" but warned that more work needs to be done "to ensure its inclusion in the final version."

The Bush administration's request for the levee spending, on top of $1.5 billion in its original supplemental request, is offset by a proposed cut in supplemental allocations for the Federal Emergency Management Agency.

The new request covers three specific shortfalls in Army Corps of Engineers financing, the White House said:

-- $1.6 billion would go to replace I-walls with stronger T-walls for Lake Pontchartrain and vicinity and West Bank and vicinity levee projects.

-- $495 million would be used to raise and enhance levees for the Lake Pontchartrain area and the West Bank to protect against the so-called 100-year flood.

-- $155 million to incorporate the nonfederal levee on the west bank of the Mississippi River in Plaquemines Parish into the federal levee system.

The administration has not decided whether to request an additional $1.6 billion to extend levee protection to the southern tip of Plaquemines Parish. Some administration officials question whether the cost-benefit ratio is enough to justify the program given the high costs of the project and the area's small population of about 14,000 people before Katrina.
Under the administration's proposal, state and local taxpayers would be responsible for contributing $270 million. That is less than the 35 percent state-local share usually required, but Gov. Kathleen Blanco and other state officials said it is still more than the hurricane-ravaged state can afford.

In an interview Friday, Vitter said he has received tentative acceptance from Republican and Democratic leaders for several of his proposed amendments to the supplemental spending plan.

One of them would increase the maximum community disaster loan for governments to 50 percent of their annual operating budgets, up from the 25 percent allowed under current law. That would help New Orleans, which has complained that its lost tax revenue amounted to far more than the maximum borrowing limit.

In addition to the $1.1 billion to help restore the Gulf Coast seafood industry, other add-ons by the Senate that could be vulnerable during negotiations with the House include:

-- $350 million in additional financing for elementary and secondary schools that have taken in students displaced by Hurricanes Katrina and Rita.

-- $120 million for sugar-cane farmers to help them rebuild from damage caused by the hurricane.

-- $30 million to help colleges and universities that suffered damage or incurred recovery costs from Hurricanes Katrina and Rita.

-- $594 million for highway repairs.

The Senate voted Thursday to eliminate $15 million from the proposed seafood allocation for a marketing campaign designed to assure consumers that Gulf Coast seafood is still safe despite reports of environmental damage from the hurricane. Vitter said it would be "a terrible blow" if the rest of the seafood assistance to help pay for lost boats, docks and equipment and to remove debris from waterways is taken out in House-Senate negotiations.