POST-WAR FINANCING PROBLEMS

The year 1945 saw World War II come to a victorious end, with VE Day on May 8 and VJ Day on August 14. These had been trying years for the civic leadership as the community's total resources were organized for and dedicated to the successful prosecution of the war.

It was during these difficult years that the Texas Medical Center laid its roots in Houston. During the war years six major events had occurred affecting the Medical Center: The M. D. Anderson Hospital and Tumor Institute, the Texas Dental College, the Baylor University College of Medicine and the Naval Hospital had been acquired for the Center or its environs; the M. D. Anderson Foundation trustees had purchased the site for the Medical Center from the City of Houston, and the University of Texas Board of Regents had formally firmed up the location of University-affiliated units in the Medical Center. The community had responded magnificently when called upon to provide funds for the Baylor University College of Medicine and for the Naval Hospital site, even though war bond drives and war-time restrictions on wages-profits-dividends had placed limits on the availability of funds for non-war purposes.

The close of World War II brought to the fore the matter of financing of the University of Texas institutions in the Medical Center. The minutes of the Chamber of Commerce Executive Committee meeting of Nov. 6, 1945, touched upon this problem:
"Mr. Hines Baker gave a confidential report on a meeting called by George A. Hill, Jr., chairman of the University of Texas Development Group. The meeting included representatives from the Anderson Foundation, the University of Texas, the Chamber of Commerce and other groups concerned with the further expansion of the Medical Center idea and the place of the University of Texas in these plans. It was pointed out that the University of Texas funds cannot be spent for permanent improvements other than on the main campus at Austin and at the Medical School in Galveston. Thus any improvements in connection with the Medical Center here would have to be financed by Legislative appropriation or from private funds. In the proposed $6,000,000 program, the Anderson Foundation has indicated a willingness to match funds from other sources, dollar for dollar. Thus, it would be necessary to raise $3,000,000 to carry out the University of Texas program."

The matter lay dormant over the yearend, but on Feb. 12, 1946, Paul J. Neff, who had succeeded George Sawtelle as Chamber of Commerce president, brought it up as the only item on the agenda for the monthly meeting of the Board of Directors. The minutes of this meeting follow:

MINUTES
BOARD OF DIRECTORS' MEETING
HOUSTON CHAMBER OF COMMERCE
February 12, 1946

The following attended a regular meeting of the Board of Directors of the Houston Chamber of Commerce in Room "A" at the Houston Club, Tuesday, February 12, 1946, at 12:15 P.M.: Paul J. Neff, L. S. Adams, Jas. A. Baker, Jr., Hines H. Baker, W. B. Bates, Dr. Claude C. Cody, Sam A. Dunlap, Claud B. Hamill, George A. Hill, Jr., Max Levine, J. B. Patterson, John L. Peebles, George Sawtelle, T. E. Swigart, Harmon Whittington, J. Barry York, W. N. Blanton. Also present were Dr. E. W. Bertner, Mr. D. A. Simmons and Mr. Hulen Black, Director of the University of Texas Development Board.
In calling the meeting to order, Mr. Neff said that for three years or more the Chamber of Commerce has taken a great interest in plans for the development of the Texas Medical Center. To give necessary background for the discussion to follow, he read the attached resolution which was adopted by the Board of Directors on March 13, 1945. (Reproduced in a preceding section of this report).

Mr. Neff asked Colonel Hill to present the current situation on the Texas Medical Center insofar as the plans of the University of Texas are concerned. Colonel Hill recalled the first meeting when this matter was presented to the Board by Dr. Bertner and Dr. Elliott. Later he said that when he met with representatives of the University of Texas he stated that the general program as now contemplated by the University would eventually become a part of the Medical Center and that he hoped it would be under sponsorship of the University of Texas. He then appeared before the Board of Regents as a representative of the Chamber of Commerce and told them that this community was somewhat uncertain as to the support and enthusiasm of the University of Texas for the project. He asked for a clear-cut statement of their position and action on their part that could not be misunderstood.

Since then, Colonel Hill declared that the University of Texas had been studying the project and developing plans for its part in the Texas Medical Center. As a result of this study, instead of a million-dollar project as was then planned, there has now been developed a program that calls for an expenditure of $6,250,382 for buildings and equipment, involving an annual maintenance cost of $1,273,482. The program has reached this magnitude, he said, because the University of Texas realizes that a great project is being developed which will be not only of area and statewide importance, but also of national and international importance. He recounted the various steps in the development of the Texas Medical Center, including the gifts of Mr. and Mrs. Cullen, the expansion plans of the Hermann Hospital authorities, the Naval Hospital, the Veterans Administration neuropsychiatric hospital, and the support of the Anderson Foundation. He presented the following schedule of estimated cost of the program of the University of Texas:

<table>
<thead>
<tr>
<th>I. Dental Branch</th>
<th>Building</th>
<th>Equipment</th>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. School of Dentistry</td>
<td>$1,000,000</td>
<td>$1,163,382</td>
<td>$420,482</td>
</tr>
<tr>
<td>Building</td>
<td>Equipment</td>
<td>Maintenance</td>
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<td></td>
</tr>
<tr>
<td>b. College of Dental Nursing</td>
<td>$150,000</td>
<td>$25,000</td>
<td>$32,000</td>
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<tr>
<td>c. Institute of Orthodontics (Rec)</td>
<td></td>
<td>22,000</td>
<td>20,000</td>
</tr>
<tr>
<td>d. Postgraduate &amp; Graduate school of Dentistry &amp; Stomatology</td>
<td>150,000</td>
<td>125,000</td>
<td>61,000</td>
</tr>
<tr>
<td>II. School of Public Health</td>
<td>750,000</td>
<td>565,000</td>
<td>360,000</td>
</tr>
<tr>
<td>III. Geographic Medicine (Rec.)</td>
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<td></td>
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</tr>
<tr>
<td>IV. Preceptorial &amp; Postgraduate Med.</td>
<td>100,000</td>
<td></td>
<td>30,000</td>
</tr>
<tr>
<td>V. M.D. Anderson Hospital for Cancer Research</td>
<td>1,500,000</td>
<td>700,000</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td>$3,650,000</td>
<td>$2,600,382</td>
<td>$1,273,482</td>
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</tbody>
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Colonel Hill reminded the Board of Directors that the permanent funds of the University of Texas cannot be used except for buildings on the main campus at Austin or at the Medical School in Galveston. He said that he is confident that the Anderson Foundation will soon take formal action to set up a fund of $2,500,000 for the University of Texas program and that it will be necessary to raise the additional funds for the development. The University of Texas Development Board will spearhead this effort. It was his opinion that the Board of Directors should authorize President Neff to name a committee to work with the Development Board and the representatives of Texas Medical Center, Inc., in this effort. It was his opinion that a substantial amount can be raised by general solicitations, but that the larger portion of the funds necessary will have to come from foundations and philanthropists who can be assured that this is a project in which their money can do a good job. Such a campaign, he stated, cannot be a whirlwind affair. It may require as much as three years to complete it. He felt that strong general support will encourage foundations and philanthropists to support the program.

Colonel Hill emphasized that immediate action is now necessary. The formal dedication of the Medical Center has been scheduled for February 28, and the banquet to be held here on March 2 will signalize the strong
support of every element of the University of Texas for the project. By that time the University will have a brochure setting forth in detail its program for the Medical Center.

Dr. Bertner, speaking for the Board of Trustees of the Medical Center, said that they were most anxious for the University of Texas to participate to the extent outlined by Colonel Hill and to an even greater extent in the long-range future. He said that they solicit the support not only of the Houston Chamber of Commerce but of everyone in the State.

Hulen Black, Director of the University of Texas Development Board, said that his Board has put its full weight behind this program. He said that the steps have been taken so carefully and that the impetus is so great that they have a feeling of confidence for the success of the program. Mr. D. A. Simmons assured the Board that the former students of the University of Texas will give the program their full support.

Colonel Bates said that the Medical Center cannot be successful without the full support of the doctors of this community, and he assured the Board that it is being given wholeheartedly.

Mr. Hines Baker said that Colonel Hill has spearheaded this program from the beginning. He pointed out that the educational and research features of the Center form the very heart around which the other activities of the Center will revolve. He said it is extremely fortunate that the Medical Center will have the institutions that are projected by the University of Texas. Colonel Bates pointed out that if the Trustees of the Anderson Foundation meet the request of the University of Texas for $2,500,000 it will have to be known that they cannot make any further commitments for a considerable period of time.

Dr. Cody asked about provisions that have been made for a Medical Library. Colonel Hill said that everyone is taking it for granted that there will be an outstanding Medical Library and that the Harris County Academy of Medicine will spearhead the effort to provide the library. Dr. Cody spoke briefly on the importance of the Medical Library to the educational and research phases of the Medical Center program. He said that he sees no conflict between the effort to get the Medical Library and the campaign of the University of Texas. He said that the timing is a matter that will have to be considered, but that the doctors want to go ahead and that they will need the endorsement of the Chamber of Commerce.
Colonel Hill pointed out that the other institutions which will have a part in the Medical Center have refrained from making plans for their own libraries because of their desire for one central Medical Library. Dr. Bertner also said that there had been an agreement for a combined library and that it had the endorsement of the Board of Trustees of the Medical Center.

On motion of Colonel Hill, seconded by Mr. Clarke, the Board voted unanimously to reaffirm its pledge of support to the University of Texas and to authorize President Neff to appoint an appropriate committee to aid in effectuating that pledge of support. President Neff said he would appoint the committee at a later date.

Mr. Clarke moved that the Board of Directors go on record as unqualifiedly supporting the Library project and urging the support of the people of this city for this most essential element. This motion was seconded by Mr. Swigart and adopted by the unanimous vote of the Board. It was agreed that a resolution in line with Mr. Clarke's motion would be worked out by Dr. Cody and made a part of the minutes.

The Board adjourned at 2:00 P.M.

(s)                                      (s)
P. J. Neff, President                    Marvin Hurley, Recorder

"Aid and Support"

In voting "to reaffirm its pledge of support to the University of Texas," the Board of Directors thus endorsed the original pledge of support of March 13, 1945. The 1945 resolution, which resulted in the Board of Regents adopting a formal program for its institutions in the Medical Center, assured the University "of our aid and support in the establishment, development and furtherance of such program." (The resolution is reproduced in full, with attachment listing the University-affiliated institutions, in a preceding section of this report).
Precisely what "aid and support" meant was the subject of spirited debate among the directors in subsequent meetings, there being the feeling among some directors that the Chamber of Commerce should not sponsor another fund-raising campaign as was implied by the "aid and support" wording of the resolution.

Meanwhile, Colonel Hill prepared, subsequent to the meeting of Feb. 16, 1946, a second formal resolution reaffirming Chamber of Commerce support for the University-affiliated units in the Medical Center, and attached to it a copy of the Board of Regents' resolution outlining the University's policy with reference to these units but especially empowering the Development Board to take steps to provide funds for the buildings and equipment.

The resolution prepared by Colonel Hill is reproduced in full herewith, along with the Board of Regents' resolution, because these were the documents upon which the Chamber of Commerce Board of Directors based subsequent actions leading to a highly-successful fund-raising campaign. (It should be kept in mind that while the Board of Directors on Feb. 16, 1946, had reaffirmed support for the University-affiliated institutions, the resolution itself had been prepared subsequent to the meeting and therefore had not been acted upon by the Board of Directors).

Board of Directors Resolution

WHEREAS, the Board of Directors of the Houston Chamber of Commerce, on the 13th day of March, 1945, adopted a resolution recording its approval of the plans and program for the establishment in the Texas Medical Center, by the University of Texas, a Dental College, College of Dental Nursing, School of Public Health, M. D. Anderson Hospital for Cancer Research, Preceptorial and Post-graduate Medicine, and other related units, more particularly outlined in such program:and
WHEREAS, said resolution urged the Board of Regents of the University of Texas to make a formal declaration of its policy with respect to such program "in order that the Houston Chamber of Commerce and other individuals, foundations and societies may cooperate in the advancement of an agreed and approved program" and also specifically assuring "the University of Texas of our aid and support in the establishment, development and furtherance of said program": and

WHEREAS, the Board of Regents of the University of Texas have, after due study and deliberation, formally adopted and approved a program, and have made estimates of the approximate cost of the buildings, and equipment for said units, in the estimated sum of $6,250,382.00, as follows:

<table>
<thead>
<tr>
<th>I. Dental Branch</th>
<th>Building</th>
<th>Equipment</th>
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<tbody>
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<td>100,000</td>
<td></td>
</tr>
<tr>
<td>V. M. D. Anderson Hospital for Cancer Research</td>
<td>$1,500,000</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Total Building &amp; Equipment</strong></td>
<td><strong>$3,650,000</strong></td>
<td><strong>$2,600,382</strong></td>
</tr>
</tbody>
</table>

but specifically recited in its resolution of approval that "no appropriation to finance the building and equipment for these several units of the University has been provided, and the income from the University's endowment fund cannot be used for these purposes because of the limitations in the State Constitution" in consequence of which the Board of Regents authorized the Development Board of the University of Texas "to take steps which it deems necessary to provide funds for building and equipment and whatever other funds that may be required for the establishment of such approved units in the Texas Medical Center": and
WHEREAS, the members of the Development Board of the University of Texas and representatives of the Texas Medical Center, Incorporated, M. D. Anderson Hospital for Cancer Research, and of the M. D. Anderson Foundation have advised the Board of Directors of the Houston Chamber of Commerce that plans have been formulated by the University of Texas and the University of Texas Development Board for the inauguration, on March 2, 1946, of the undertaking to obtain, by gift and endowment, for the University of Texas, the sum of $6,250,000.00 for the purpose of constructing and equipping said units in the Texas Medical Center and of which said sum the M. D. Anderson Foundation has made certain definite, and certain informal and conditional, pledges aggregating $2,500,000.00, contingent, pro tanto, upon the raising of the said sum of $6,250,000.00: and

WHEREAS, the Board of Directors of the Chamber of Commerce have been now asked to lend their active assistance in the procurement of donations in aid of said undertaking with special reference to the securing of a generous support by the business and industrial organizations of Houston:

THEREFORE, BE IT RESOLVED by the Board of Directors of the Houston Chamber of Commerce:

First: We hereby reaffirm and reassure the University of Texas of the aid and support of the Chamber of Commerce in the establishment, development, and furtherance of the program of the University of Texas in the Texas Medical Center, as hereinabove outlined.

Second: The President of the Chamber of Commerce is hereby authorized and requested to appoint a committee, of such number as he may deem to be adequately representative, of the business and industrial organizations of the City, to secure such generous aid and support as may be obtainable from our business and industrial community, to supplement the actual and conditional gifts of the M. D. Anderson Foundation, and to aid generally in the furtherance of the University of Texas program in the Texas Medical Center, and to cooperate with the administrative officers of the University of Texas and the Board of Regents thereof, the Development Board, and the Houston Committee of the University of Texas Development Board, in the accomplishment of such objective.
WHEREAS, there has been established in Houston, Texas, two units of The University of Texas, the M. D. Anderson Hospital for Cancer Research which was created by the 47th Legislature, and the Dental Branch which was created by the 48th Legislature, both of these units now functioning under the supervision of the Board of Regents; and

WHEREAS, there has been established also in Houston, Texas, The Texas Medical Center through the benefaction of Monroe D. Anderson, which has been established in a manner that destines it to become one of the greatest research and educational medical centers in the world; and

WHEREAS, the Board of Regents of The University of Texas has not been unmindful of the important part that The University of Texas must play in meeting the problems of public health as they arise in all three fields of health activities, research, education and service, since it is generally agreed that the health of the people of the State is one of the most important problems that confront The University; the Board of Regents recognizes that the need for a wider participation of The University in the study of health problems is one of the major problems of The University; and the Board has made special studies of the relationship of The University to all existing health educational units in the State; and

WHEREAS, the Board of Regents of The University was invited to participate in the development of The Texas Medical Center in Houston and after careful study decided that there will be located in The Texas Medical Center in Houston various and sundry units of
The University of Texas; so that these units may be afforded the opportunity to cooperate with the other units which are to be established in The Texas Medical Center; on the twenty-third day of March, 1945, the Board of Regents announced that the M. D. Anderson Hospital for Cancer Research, the School of Public Health, the Institute of Geographic Medicine, the Dental School, the Post-Graduate and Graduate School of Dentistry and Stomatology, the Institute of Orthodontics, and the College of Dental Nursing would be established in Houston in The Texas Medical Center; on the twenty-eighth day of September, 1945, the Board of Regents announced that the approximate cost of buildings and equipment for these units would be six million, two hundred fifty thousand, three hundred eighty-two dollars ($6,250,382); these units are described as follows:

The M. D. Anderson Hospital for Cancer Research of The University of Texas will be the only institution in The Medical Center that will carry the name of Monroe D. Anderson. However, other units in the Center will receive funds for buildings and equipment from the M. D. Anderson Foundation. Although the primary purpose of this hospital will be cancer research, there will be provided hospital space for at least two hundred patients. This will make it possible for the hospital to serve as the proving ground for all cancer research projects of The University and for other units of the Center.

Since dentistry is recognized as a part of the whole program of the medical sciences, the plan of dental education for The University now and for the future will lead to a very thorough training in the medical sciences. Several units will comprise the Dental Branch:

(1) The Dental School will offer a four year course for the undergraduate student. Facilities will be provided for two hundred forty to three hundred students.
(2) The College of Dental Nursing will provide facilities for the training of young women in the specialized field of Dental Nursing. The graduate dental nurse serves the dentist in the same capacity as the graduate nurse serves the physician. The course of study will lead to a bachelor's degree in Dental Nursing. Facilities will be provided for one hundred to one hundred and fifty students.

(3) The Institute of Orthodontics will serve as a research center for the study of jaw and facial deformities. Research fellowships will be provided for those who are particularly qualified in this field.

(4) The Post-Graduate and Graduate School of Dentistry and Stomatology will provide facilities for the training of one hundred to one hundred and fifty graduate dentists a year in special fields of study. This school will also offer courses leading to graduate degrees in the various specialties in dentistry.

Because of the unusual opportunities for clinical teaching that will be present in The Texas Medical Center, facilities will be provided for a preceptorial training program for undergraduate medical students. This program will be under the guidance of a full time director, who will serve also as the liaison officer for the Medical Branch at Galveston. A building will be provided for offices, laboratories, and research facilities for the use of the members of the faculty of the Medical Branch. It will serve also as a center for undergraduate and post-graduate medical students who will be working on special assignments from the Medical Branch in Galveston.

The School of Public Health is primarily a graduate school for the training of graduates in medicine, dentistry, engineering, medical and dental nursing and for special work in public health. This school will provide facilities for one hundred to one hundred and fifty students a year. The acceptance of students and the granting of degrees in this school will be under the supervision of the Dean of the Graduate School. An Advisory Committee will be appointed by the President of The University that will work with the Dean of the Public Health School. The membership of this Committee will consist of representatives from the Medical Branch, the Dental Branch, the M. D. Anderson Hospital for Cancer Research, the College of Engineering, the Graduate School, and other representatives that may be desired.
The Institute of Geographic Medicine will serve as a research center for the study of diseases common to every part of the world. Because of the relation that diseases of this type bear to Public Health, it is essential that the Institute of Geographic Medicine be included in the School of Public Health.

Facilities will be provided in all units of The University that are in The Medical Center for the training of technicians in all fields of health; and

WHEREAS, no appropriation to finance the building and equipment for these several units of The University has been provided and since the income from The University's endowment cannot be used for these purposes because of limitations in the State Constitution: therefore be it

RESOLVED by the Board of Regents that within the limit of their duties as provided by law, they will lend their effort to the procurement of funds for buildings and equipment and prepare for the Legislature the Appropriation Bill that will be necessary for the maintenance and operation of these several institutions: and be it further

RESOLVED that the Development Board is authorized to take steps which it deems necessary to provide funds for building and equipment and whatever other funds that may be required for the establishment of the units that have been approved by the Board of Regents in The Texas Medical Center: and be it further

RESOLVED that a copy of this Resolution be delivered by the President of The University to the Trustees of the M. D. Anderson Foundation, to the Deans of the Colleges and Schools of The University at Austin, Galveston, and Houston, to the President of the School of Mines, to the Acting Director of the M. D. Anderson Hospital
for Cancer Research, to the Comptroller, to the Chairman and to
the Director of the Development Board, and to such others that he
may choose.

"... A Very Great and Wonderful Project"

The Chamber of Commerce Executive Committee on March 13,
1946, authorized President Neff to appoint a small committee from
the Executive Committee to confer with Colonel Hill, Palmer Bradley
and D. A. Simmons of the University development group "to determine
how much the Chamber of Commerce might properly try to raise and from
what group, and following such conference, to report back to the Execu-
tive Committee with recommendations for approval."

The special committee met March 21, 1946, and after full dis-
cussion of all factors involved in the situation, adopted four recom-
mendations to be made to the Executive Committee, as follows:

1. That formal approval be given to
a resolution drawn by George A.
Hill, Jr., pursuant to motion
adopted by the Board of Directors
on Feb. 12, 1946.

2. That in carrying forward this re-
solution, the Chamber of Commerce
aggressively endeavor to raise
(but without any guarantee) a goal
of $750,000 for the University of
Texas program in the Texas Medical
Center.

3. That the Chamber's efforts be di-
rected toward securing contributions
from the corporate and business in-
terests of the area, leaving indivi-
duals primarily to the Development
Committee of the University.

4. That the President be authorized to
appoint the organization committees
and personnel to carry out the fore-
going.
The Executive Committee approved the recommendations on March 26, 1946, and the Board of Directors approved on April 1, 1946, both actions being by unanimous vote. After the Board of Directors had approved, President Neff commented: "I believe you have endorsed a very great and wonderful project."

The Fund Campaign

President Neff announced to the Executive Committee on April 9, 1946, that Warren S. Bellows, whose firm was noted for construction of the San Jacinto Battleground Memorial Monument, had accepted chairmanship of the campaign committee. Assisted by Marvin Hurley, then assistant general manager of the Chamber of Commerce, as campaign committee secretary, Mr. Bellows lost no time in organizing the solicitation.

Mr. Bellows reported to the Board of Directors on Sept. 10, 1946, that "I can now say that we have reached our minimum" of $750,000 in the campaign. He reported on Oct. 15, 1946, that, although some follow-up work remained to be done, the campaign had been concluded, with nearly $1,000,000 pledged. (The final figure reported by Mr. Bellows was $930,000, but some additional contributions, which were not formally reported to the Board of Directors, were made, thus there was no record in the minutes of meetings of the exact final total).

The 1946 year-end report of the Houston Chamber of Commerce commented that the highly-successful fund campaign "is a further indication of the recognition by Houstonians of the Texas Medical Center as the city's most significant development since the building of the Ship Channel."
The Legislative Situation

The next step in the chain of events leading to the funding of the University of Texas institutions in the Medical Center was the introduction of legislation in the Texas Legislature, which convened in January, 1947, formally authorizing the location of the institutions in the Center and providing operating funds as well as $2,000,000 in capital funds. The various institutions were statutory branches of the University and thus were not eligible for capital funds from the University's permanent endowment.

The Legislature, faced with mounting costs for normal state functions and institutions, had before it requests for financing new projects in San Antonio, Dallas and Beaumont. The situation was further complicated by the untimely death of Senator Lacy Stewart of Houston, who had introduced the legislation for the Medical Center program and was guiding it through the Legislature.

The impasse in the Legislature prompted Colonel Hill, Colonel Bates, Hines Baker and Dr. Bertnér to recommend to the Chamber of Commerce Executive Committee on April 29, 1947, that the $2,000,000 capital allotment be eliminated from the bill. The recommendation was approved. The University Board of Regents and the Development Board also approved. The recommendation is reproduced here to give the complete picture of the situation then prevailing:

MEMORANDUM

An analysis of the progress in the Texas Medical Center brings forward certain important facts that require consideration and early action. Among these are the following:
1. In order to have a truly great medical center it is necessary to have more than well-equipped and efficient hospitals. At the heart of the Medical Center must be the research and teaching institutions around which great hospitals are operated. At the Texas Medical Center the primary research and teaching institutions are Baylor University, the University of Texas, and Houston University, with the Rice Institute adjacent and of great value in the basic sciences. The Baylor program is well under way, and provision is being made for the Nurses School of Houston University. The part which the University of Texas plays is to be embraced in its Dental branch, the Anderson Hospital for Cancer Research, the School of Public Health, and the Preceptorial Training Center. The carrying forward of this program is dependent at present upon the raising of at least $2,000,000 for capital investment and Legislative authorization for the establishment of the School of Public Health and the Preceptorial Training Center as statutory branches of the University and the authorization for the removal of the Dental Branch to the Medical Center. The forward progress of the whole Medical Center program is dependent upon these authorizations and this added capital fund.

2. There is now pending in the Texas Legislature a bill by Senator Stewart establishing these branches of the University, appropriating $2,000,000 of capital investment to supplement the $4,250,000 already raised or committed by former appropriation and private grant, and providing funds for the maintenance and support during the biennium of the University's activities in the Center. This bill has the active support of the University of Texas Board of Regents, the University of Texas Development Board, the Houston Chamber of Commerce, and the Texas Medical Center, Incorporated.

3. Progress toward the enactment of the Stewart Bill is slow, and enactment of the bill as now drawn is doubtful for these reasons:

a. There is a feeling as a result of the generous support given the Texas Medical Center by the Anderson Foundation, Mr. and Mrs. H. R. Cullen, the citizens of Houston, and the announcements of future support of the Cullen Foundation in the Center, that the state need not appropriate money for capital investments for the various institutions of the University of Texas in the Center.
b. Due to the untimely death of Senator Stewart and the lack of an active sponsor in the Legislature for a substantial period, action on the bill in the House has been delayed. In the meantime the San Antonio groups have secured the appropriation by the Legislature of $1,500,000 for a medical branch of the University of Texas in San Antonio, and the Dallas groups have secured the appropriation in the House of $1,300,000 for a cancer and pellagra hospital in Dallas. In addition there is an appropriation requested of $1,500,000 for Lamar Technological College at Beaumont. These, together with the requested $2,000,000 for the University of Texas participation in the Texas Medical Center, make an aggregate appropriation requested for these four institutions of $6,300,000.

There is a general feeling that if all of these claims are pressed, the Senate will kill all four bills and that if the Senate should concur with the House in the enactments of the bills, the Governor will veto them.

It would appear, therefore, that the further progress of the Texas Medical Center is greatly hampered or impaired by this situation.

4. It is imperative to progress in the Medical Center that the Legislature authorize the location of the Dental branch in the Medical Center and establish the School of Public Health and Preceptorial Training Center as statutory branches of the University of Texas in the Medical Center and provide for the maintenance and operation of these institutions. If such action is not secured at this session of the Legislature, the whole plan or program for the Medical Center receives a most serious setback.

It has been suggested by several of those concerned with this matter that the enactment of the Stewart Bill could be secured if the $2,000,000 capital investment appropriation were dropped and the remainder of the bill enacted. It is believed that the bill, if so amended, would receive favorable action in the Senate and favorable action at the hands of the Governor. The appropriations for the San Antonio, Dallas, and Beaumont institutions would probably not become effective through Senatorial concurrence and Governor approval.

If private funds could be secured for the additional $2,000,000 capital required to launch the complete Texas project and this announcement could be made to the Legislature, it is believed that the enactment of the amended Stewart Bill could easily be secured.
The Legislative Act

The bill was amended in the Legislature and was approved on May 8, 1947. Gov. Beauford Jester signed the legislative act on Tuesday, May 27, 1947, creating the School of Public Health, and authorizing the location of the cancer hospital, dental branch and other subsidiary units as recommended by the Board of Regents in the Texas Medical Center.

This Act, a basic document in the development of the Texas Medical Center, follows:

H. B. No. 821

AN ACT

authorizing the Board of Regents of The University of Texas to accept title for and in behalf of the State of Texas for the use and benefit of the University of Texas of any and all lands to be donated as sites needed for the location within the Texas Medical Center at Houston of the M. D. Anderson Hospital for Cancer Research, the Dental College of The University of Texas, a School of Public Health and a Preceptorial Training Center; authorizing the Board of Regents of the University of Texas to remove and locate said Hospital and Dental College on said sites; authorizing the Board of Regents to establish and operate within said Center on sites donated for said purpose a School of Public Health and a Preceptorial Training Center; providing for the sale of the property now belonging to the Dental College of The University of Texas at Houston, upon the removal and relocation of said College in said Medical Center; authorizing the Board of Regents of The University of Texas to accept gifts or donations for the purposes of this Act and reappropriating any unexpended balance from funds appropriated by Chapter 548, Acts, Regular Session, Forty-seventh Legislature, to be used for purposes of this Act; and declaring an emergency.

PREAMBLE

WHEREAS, There has been established by the Trustees of the M. D. Anderson Foundation, a Twenty Million Dollar ($20,000,000) nonprofit charitable trust estate in the City of Houston, Harris County,
Texas, what is known and designated as "The Texas Medical Center" consisting of a plot of one hundred and sixty-three (163) acres of land as a site for said Center, upon which site there are to be located certain research laboratories, teaching institutions and training hospitals to be devoted to medical and dental education and research, which is destined to become one of the world's greatest medical centers; and

WHEREAS, The Texas Medical Center has been incorporated under the laws of Texas "exclusively for benevolent, charitable and educational purposes in order to promote and provide for or assist in the establishment, support and maintenance of facilities for medical, dental and nursing education and other phases of health and medical education, for hospitalization and treatment of the sick and afflicted and for research in the field of health and science and medicine and dentistry"; and

WHEREAS, The Board of Regents of The University of Texas in conjunction with the M. D. Anderson Foundation under the provisions of Chapter 548, Acts, Regular Session, Forty-seventh Legislature (1941), has established and is now operating in the City of Houston, Harris County, Texas, "The M. D. Anderson Hospital for Cancer Research," which institution is devoted to the diagnosis, teaching, study, prevention and treatment of cancer and allied diseases, and the Board of Regents of The University of Texas is now operating a Dental College of The University of Texas under the provisions of Chapter 329, Acts, Regular Session, Forty-eighth Legislature (1943), in the City of Houston, Harris County, Texas; and

WHEREAS, The Texas Medical Center has invited to itself numerous teaching, research and clinical institutions to constitute this great health center, but each separate institution to retain completely its own identity and to remain under the control and management of its separate governing boards, including a proposal that the M. D. Anderson Hospital for Cancer Research and the Dental College of The University of Texas become a part of the Texas Medical Center and be located on the sites provided therefor; and that the Board of Regents of The University of Texas establish and operate within said Medical Center a School of Public Health and a Preceptorial Training Center on sites to be donated therefor; and

WHEREAS, The M. D. Anderson Foundation is ready and willing to donate and to convey to the State of Texas for the use and benefit of The University of Texas the
sites needed for the location and erection thereon of buildings and other permanent improvements for the M. D. Anderson Hospital for Cancer Research, the Dental College of The University of Texas, a School of Public Health and a Preceptorial Training Center, and to continue to aid and assist in the operation of the Texas Medical Center and said M. D. Anderson Hospital for Cancer Research if the State will accept same for the purposes of locating said institutions in said Medical Center; now, therefore

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. The Board of Regents of The University of Texas is hereby authorized to select and to accept for and in behalf of the State of Texas for the use and benefit of The University of Texas title by proper conveyance or conveyances from the M. D. Anderson Foundation or other owner or owners thereof to all land within the boundaries of the plot of land designated in the City of Houston, Harris County, Texas, as "The Texas Medical Center" as the sites needed for the location, operation and maintenance thereon of the M. D. Anderson Hospital for Cancer Research, the Dental College of The University of Texas, a School of Public Health and a Preceptorial Training Center. Before title to said property can be accepted by said Board of Regents, however, the owner or owners of said land must furnish to said Board an abstract or other satisfactory certificate of title thereto, showing good and merchantable title, free of all liens, in the grantor named in said conveyances to the Board of Regents, and said title thereof must first receive the written approval of the Attorney General of this State. The Board of Regents of The University of Texas, whenever it deems it advisable to do so, is hereby authorized to remove, locate, operate and maintain on said sites so selected and acquired the M. D. Anderson Hospital for Cancer Research and the Dental College of The University of Texas. As soon as the Dental College has been properly removed and located on said site as provided for herein, the said Board is further authorized to sell and convey, at either a public or private sale, the property belonging to the State of Texas and now used by said Dental College of The University of Texas in the City of Houston, Harris County, Texas, said sale to be either for cash or on credit as said Board may determine to be for the best interest of the State. The title to said real estate now used as a site for the Dental College of The University of Texas shall be conveyed to the purchaser by proper deed duly executed under the authority and direction of the Board of Regents and the title to any personal property so sold shall be passed to the purchaser by a proper bill of sale.
duly executed and delivered under the direction and by authority of said Board. The proceeds derived from the sale of any of said property as and when collected shall be used by said Board of Regents in the erection of additional buildings or other permanent improvements or for the equipment of said Dental College as said Board may determine to be for the best interest of said institution. The Board of Regents of The University of Texas is hereby authorized to establish and operate within the Texas Medical Center at Houston a School of Public Health and a Preceptorial Training Center.

Section 2. The Board of Regents of The University of Texas is hereby authorized to accept gifts or donations for the purposes of this Act. There is hereby reappropriated for each of the fiscal years of the biennium beginning September 1, 1947, and ending August 31, 1949, any unexpended balance remaining in the fund appropriated by Chapter 548 (H. B. No. 268), Acts, Regular Session, Forty-Seventh Legislature, to be used in connection with the establishment, equipping and operation of the M. D. Anderson Hospital for Cancer Research at Houston, Texas.

Section 3. The fact that the location of the M. D. Anderson Hospital for Cancer Research and the Dental College of The University of Texas within the Texas Medical Center in Houston, Harris County, Texas, will add greatly to the efficiency and economy in teaching, research and clinical instruction by said institutions, and the further fact that the establishment and operation within the Texas Medical Center of a School of Public Health and a Preceptorial Training Center will be in the interest of the public health of the people of this State, and the further fact that the M. D. Anderson Foundation has pledged Two Million, Five Hundred Thousand Dollars ($2,500,000) towards the payment of construction costs in the location of said institutions in said site and the ex-students of the University are now engaged in a campaign to raise the sum of Three Million, Seven Hundred and Fifty Thousand Dollars ($3,750,000) by public subscription for this purpose create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said Rule is hereby suspended, and this Act shall be in force and effect from and after its passage, and it is so enacted.

President of the Senate
Speaker of the House
Future Funding Outlined

Colonel Hill, as chairman, and Hines Baker, former chairman, of the University's Development Board; the Chamber of Commerce, the Anderson Trustees and others had worked long and hard, and persistently, to bring the University's program in the Texas Medical Center to this point of success. But much remained to be accomplished. Colonel Hill, in a letter dated June 27, 1947, to the Texas Medical Center trustees, outlined his ideas as to the course of action that might be undertaken:

June 27, 1947

To the Trustees of
The Texas Medical Center, Inc.

Gentlemen:

The Legislature of the State of Texas has enacted legislation authorizing:

(1) The University of Texas to accept title for and in behalf of the State of Texas, for the use and benefit of the University of Texas, of any and all lands to be donated as sites needed for the location within The Texas Medical Center at Houston of
(a) the M. D. Anderson Hospital for Cancer Research;

(b) the Dental College of the University of Texas;

(c) a School of Public Health;

(d) a Preceptorial Training Center; and

(2) To remove and locate the Cancer Hospital and Dental College to The Texas Medical Center, Inc.; and

(3) To establish and operate within said Texas Medical Center a School of Public Health and a Preceptorial Training Center; and

(4) Providing for the sale of property now belonging to the Dental College upon the removal and relocation of said College in the Medical Center; and

(5) Authorizing the University of Texas to accept gifts or donations for the purposes of said Act.

Two especially significant features of this legislation consisted of:

First: The statutory creation of a School of Public Health, to be located in The Texas Medical Center; and

Second: The statutory creation of the Preceptorial Training Center to be located at Houston in The Texas Medical Center.

The School of Public Health was described as follows in the brochure published by the University of Texas Development Board:

"A school of public health, the critical need for which has been increasingly felt throughout the South and the Southwest, will be established. Here graduates in medicine, dentistry, engineering, and medical and dental nursing will come for special studies in the important field of public health. Provision will also be made for educational facilities for other workers in the public health field. The School of Public Health will be planned to accommodate one hundred to one hundred fifty students. It will cooperate with all of the appropriate divisions in the University, such as the College of Engineering, the Department of Preventive Medicine, and the Department of Physical and Health Education, in providing opportunities for field study."
"The Institute of Geographic Medicine, which will be a part of the program of the School of Public Health, will serve as a research center for the study of disease common to every part of the world."

The Preceptorial Training Center was described as follows in the brochure published by the University of Texas Development Board:

"Because of the unusual opportunities for clinical teaching that will be present in the Texas Medical Center, a building will be provided for preceptorial clinical training for undergraduate medical students. This program will be under the guidance of a full-time director who will serve also as a liaison officer with the Medical Branch at Galveston. This type of training will make it possible to expand the clinical teaching program of the Medical Branch. Facilities will be provided for offices and laboratories for the use of the members of the faculty of the Medical Branch. This building will serve, too, as a center for the Postgraduate and Graduate Program of the Medical Branch at Galveston and will afford the faculty at Galveston the opportunity to round out its whole program of medical education."

The Legislature made the following appropriations for the M. D. Anderson Hospital for Cancer Research and the School of Dentistry:

**M. D. Anderson Hospital for Cancer Research**

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<td>Salaries</td>
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<td>Maintenance and Travel</td>
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<td>195,250</td>
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<tr>
<td>Furniture and Equipment</td>
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**School of Dentistry**

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<td>376,000</td>
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<tr>
<td>Research</td>
<td>-</td>
<td>7,200</td>
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It will be observed from the foregoing that out of the total appropriation for the biennium the items appropriated for furniture and equipment totaled $1,018,000.00,
and the salaries totaled $1,346,150.00, in addition to the substantial appropriations for maintenance and travel which approximate $450,000.00. (The item covering equipment for the School of Dentistry is $300,000.00 out of the $376,000.00 above noted). It will thus be seen that the Legislature appropriated new funds in the sum of $800,000.00, and re-appropriated $218,000.00 of a lapsed appropriation that may be used as a part of the equipment of the Cancer and Dental projects in The Texas Medical Center.

The calculated cost for the buildings and equipment of the University of Texas projects in The Texas Medical Center was $6,250,000.00, which was intended to provide for the building and equipment for the M. D. Anderson Hospital for Cancer Research, the School of Public Health, the Institute of Geographic Medicine, the Preceptorial Training program of the Medical Branch, the Post Graduate and Graduate School of Medicine, and the Dental Branch, consisting of the Dental School, the College of Dental Nursing, the Institute of Orthodontics, and the Post Graduate and Graduate School of Dentistry and Stomatology, all of which are now in actual operation and/or authorized by statute to be established, located and operated in The Texas Medical Center.

The Trustees for the M. D. Anderson Foundation, as you know, pledged a conditional gift of $2,500,000.00, conditioned upon gifts (and/or legislative appropriation for building and equipment) as follows:

(a) The first $500,000.00 contributed by the Anderson Foundation to be matched by $250,000.00 on the basis of two for one;

(b) The second $500,000.00 contributed by the Anderson Foundation to be matched by $500,000.00, upon the basis of one for one; and

(c) The next $1,500,000.00 to be contributed by the Anderson Foundation to be matched by $3,000,000.00 on the basis of one for two.
The following represents the present status of the attempt to achieve the goal of $6,250,000.00 requisite to the validation of the pledge of the Trustees of the M. D. Anderson Foundation in its totality:

$1,018,000.00 - Legislative appropriation
938,000.00 - Public donations
336,801.27 - Rosalie B. Hite Estate (for Hite Cancer Laboratory)
150,000.00 - Value of Texas Dental College property
90,000.00 - Present Cancer Hospital equipment
2,500,000.00 - M. D. Anderson Foundation conditional gift

$5,024,801.27 - Total

$1,225,000.00 - Deficiency in goal

You will recall the reasons motivating the Executive Committee of the Chamber of Commerce and those who met with them who were primarily interested in the University of Texas projects in The Medical Center in advocating the amendment of the Stewart Bill in relation to the University of Texas projects in the Texas Medical Center, which memorandum dated April 29, I am attaching hereto for your more precise information. By the employment of this strategy the bill was enacted and we were still able, although that bill carried no appropriation to obtain $800,000.00 in the general appropriation bill for the University of Texas for additional equipment for the Cancer Hospital and Dental College.

The question that squarely confronts the Regents of the University of Texas and the University of Texas Administration, and the Trustees of The Texas Medical Center, Inc., is how and when the University of Texas projects may be actually initiated in The Texas Medical Center by the full validation of the conditional pledge of the Trustees of the M. D. Anderson Foundation, - how and when and from whom the additional and requisite $1,225,000.00 may be obtained so that the projects may be actually begun and the appropriated funds actually used, for the purposes and within the time for which such appropriations were made.

My own individual view is that such funds can only be obtained from the Foundations now established or being established for the broad purposes which, in my judgment, clearly include the projects of the University of Texas within The Texas Medical Center and I am convinced that capital funds, already given to such Foundations by their respective founders, can have no better assurance of continuing support than that resulting from the continuing legislative appropriations implicit in the establishment
of the State institutions established in the Medical Center which I believe that all concerned agree constitute an essential part of the very heart of the great Medical Center.

This letter is not a suggestion that the Trustees of The Texas Medical Center solicit the gift of funds to complete this project.

On the contrary, this letter is designed to respectfully raise the question as to whether or not the Trustees of The Texas Medical Center may not wisely and appropriately use their active influence in the furtherance of the overall plan of The Texas Medical Center to have $1,225,000.00 allocated out of the funds that have already been given to these several foundations for broad purposes that include the objectives which The Texas Medical Center seeks to achieve, and which these several Foundations seek to achieve, in the Texas Medical Center, through one or more or several of the autonomous units now comprehended to be essential to the fulfillment of the purposes of this great Medical Center.

In brief, such projects already enjoy the manifest approval of the Trustees of the Texas Medical Center and have enlisted a generous, substantial and emphatic support of the President and Regents of the University of Texas, the Legislature and the Governor of Texas, the University of Texas Development Board, the Texas and Houston medical and dental societies, the Houston Chamber of Commerce, the Trustees of the Anderson Foundation, a large and representative group of our individual and corporate donors to these projects, and the final and definite action that seems to be now indispensable is for the persuasion by the Trustees of The Texas Medical Center of the Trustees of one or more of the several Foundations that their broad objective for the use of a part of the funds that have already been given for broadly described objectives can be used most advantageously for the consummation of these specific University of Texas projects in The Texas Medical Center.

I shall be deeply grateful if you will give this matter such early consideration as, in your judgment, you deem that it warrants as I do not see how the University of Texas can actively proceed until the financial problem involved has been resolved, and the suggestion which I have made seems to me to be the only available solution after a long period of intimate contact with the problem and a considerable devotion of study, work and consultation with those primarily interested in the successful consummation of these projects.

Sincerely and respectfully yours,

George A. Hill, Jr., Chairman
University of Texas Development Board
Even though the $2,000,000 construction fund was eliminated from the 1947 legislative act, nonetheless this legislation was most important in that it provided for the statutory creation of the School of Public Health and the Preceptorial Training Center, to be located in the Texas Medical Center, as well as providing operative funds for the cancer hospital and the Dental College.

The Situation in Review

The situation facing the University institutions in the Medical Center was summed up at the meeting of the Chamber of Commerce Board of Directors on Feb. 10, 1948, at which time Colonel Hill reported in detail what had been accomplished and what remained to be done. The portion of the Board's minutes devoted to the Medical Center, and Colonel Hill's report, follow:

UNIVERSITY OF TEXAS PROGRAM IN MEDICAL CENTER:

"In presenting Colonel Hill to make this report, Colonel Bates said that Colonel Hill was always the one who was talking about what others were doing, but without the efforts of such men as Colonel Hill, Hines Baker, and Dr. Bertner, it would have been impossible to develop the program of the University of Texas in the Medical Center to its present position. Colonel Hill summarized the attached report, copies of which were distributed to members of the Board. He concluded his remarks by reading the paragraph in the report paying tribute to Messrs. Bellows, Bates, and Baker, and Drs. Bertner and Elliott. He referred at length to the outstanding leadership of Mr. Bellows in the fund-raising campaign, reporting a grand total in excess of $930,000 which greatly exceeded the amount agreed upon.

"Following this report Colonel Bates also paid tribute to Ed Naylor for his part in the program. Mr. Hines Baker spoke briefly on the imagination, push, and foresight that has been supplied throughout the program by Colonel Hill.

"Dr. Bertner said that, in his opinion, the Chamber of Commerce should take steps to have someone in Austin for the next session of the Legislature in
order to maintain the momentum that has been developed on this program. He said that he had written to President Bellows on this matter.

"Mr. Baker said that, since the Chamber of Commerce had taken such an active part in the University of Texas program in the Medical Center, he felt that it was timely to express appreciation to the Board of Directors of the Anderson Foundation for their action on February 5, 1948, in making available their pledge in the sum of $2,500,000 for this program upon a contemporaneous expenditure, dollar for dollar, of other funds available for the construction and equipment of the buildings in the Center. Mr. Baker moved the adoption of such a resolution of appreciation. It was seconded by Mr. Simpson and approved unanimously by the Directors with Colonel Hill putting the motion."

Houston, Texas
February 10, 1948

To the Board of Directors of the Houston Chamber of Commerce:

Gentlemen:

President Bellows has requested that I report to you on the present status of the projects of the University of Texas in The Texas Medical Center.

It might be interesting to you to have in mind the chronology of the development of such projects:

On June 30, 1941, the 47th Legislature of the State of Texas passed an Act calling for the establishment of "a State Cancer Hospital and the Division of Cancer Research, the location, control and management to be under the supervision of the University of Texas."

$500,000.00 was appropriated, of which amount $250,000.00 was for building and equipment and the remainder of the amount appropriated was for the biennium beginning September 1, 1941. The Act specifically provided for: "authorizing the acceptance of gifts or grants of money from other than State sources."

On August 8, 1942, the Board of Regents of the University of Texas made a contract with the Trustees of the M. D. Anderson Foundation, by the provisions of which the Anderson Foundation made a grant of $500,000.00, not less than $400,000.00 of which was to be expended for the erection of buildings and other permanent improvements.
In 1943, the Legislature of the State of Texas, by Statute, created the Dental College of the University of Texas, and authorized the Board of Regents of the University to accept grants and gifts of property; and pursuant to this statute, the Texas Dental College conveyed to the University of Texas its building and equipment, and on September 1, 1943, the Dental College of the University of Texas commenced operations in the City of Houston.

In March, 1945, the Chamber of Commerce of the City of Houston adopted a resolution approving the proposed University of Texas projects in the proposed Texas Medical Center, to consist of:

1. The Anderson Hospital for Cancer Research.
2. The Dental College of the University of Texas.
3. The School of Public Health.
4. Graduate School of Medicine and Preceptorial Training.

The Chamber invited the Medical Committee of the Board of Regents of the University of Texas to meet with the Board of Directors of the Houston Chamber of Commerce on March 15, 1945, to enlist its interest in the establishment of the above named projects in the Texas Medical Center in behalf of the University of Texas.

On March 23, 1945, the Board of Regents of the University of Texas adopted a resolution giving its approval to the establishment of such projects by the University in the proposed Texas Medical Center, subject to the acquisition of adequate funds by gift, endowment, legislative appropriation, etc., for the necessary buildings and equipment, then estimated to cost $4,050,382.00 (and the annual maintenance cost was then assumed to be $923,482.00).

On September 29, 1945, the Board of Regents of the University of Texas approved the revised estimate of buildings and equipment of the proposed University of Texas projects in the Texas Medical Center in the sum of $6,250,382.00, and authorized the University of Texas Development Board to proceed with plans to accomplish this purpose.

On November 5, 1945, a meeting was held in Houston attended by representative groups from the Board of Regents and the Administration of the University of Texas, the Medical and Dental Branches of the University, the Trustees of the Anderson Foundation, representatives of the ex-Students Association, and the Development Board of the University of Texas, and of the Chamber of Commerce of the City of Houston.
As a result of such meeting the Board of Regents of the University, at a meeting held in Austin, on November 30, 1945, adopted another resolution approving the University of Texas projects in a form deemed desirable for insertion in a Brochure to be prepared for the forthcoming campaign, and a plan of procedure was then adopted in which to begin a campaign formally on March 2, 1946.

The Trustees of the Anderson Foundation who had contracted originally to grant $500,000.00 for the M. D. Anderson Hospital for Cancer Research, and an informal commitment on a matching basis of $500,000.00 (dollar for dollar), for a building to house the Dental College, increased and formalized their pledge in the aggregate sum of $2,500,000.00 (the first $500,000.00 of which was to be matched by $250,000.00; the second $500,000.00 of which was to be matched by $500,000.00, and the remaining $1,500,000.00 which was to be matched by $3,000,000.00, to be put up by others through gifts, endowment and/or legislative appropriation).

A campaign was undertaken in the City of Houston by committees from the ex-Students Association, the Development Board of the University and others, but the principal activity was conducted by a special committee of the Houston Chamber of Commerce, chairmanned by Mr. Warren S. Bellows, the present President of the Chamber of Commerce. The campaign in Houston resulted in the acquisition of gifts and pledges totaling approximately $930,000.00.

In connection with this campaign, the Regents of the University of Texas set apart properties valued at $336,801.27 from a bequest made to the University of Texas for cancer research by Miss Rosalie B. Hite for the establishment of the Rosalie B. Hite Laboratory for Cancer Research, in connection with the Cancer Hospital.

The Legislature of the State of Texas, at its last session appropriated for furniture and equipment, an unexpended balance for building, totaling $1,018,000.00, available for building, furniture and equipment in the respective sums designated in the appropriation bill. (It should be noted parenthetically that the Legislature appropriated for maintenance and salaries for the biennium for the Cancer Hospital and the School of Dentistry, in excess of $1,500,000.00).

The last Legislature also created by Statute a School of Public Health and Preceptorial Training Center, to be located in the City of Houston in the Texas Medical Center, as statutory branches of the University of Texas, and the Legislature also authorized the removal of the
Anderson Hospital for Cancer Research and the Dental College to the Texas Medical Center and the use of the proceeds of the sale of any present properties owned by them for their reestablishment in the Texas Medical Center.

Finally, on February 5, 1948, the Trustees of the Anderson Foundation entered into an agreement with the Board of Regents of the University of Texas making available their pledge in the sum of $2,500,000.00 to the University of Texas for the University projects in the Medical Center, upon a contemporaneous expenditure, dollar for dollar, of other funds available for the construction and equipment of the buildings in the Texas Medical Center, which on February 5, 1948 are assumed to be as follows:

- Legislative appropriation: $1,018,000.00
- Public donations: 930,000.00
- Rosalie B. Hite Estate (for Hite Cancer Laboratory): 336,801.27
- Value of Texas Dental College property: 150,000.00
- Present Cancer Hospital equipment: 90,000.00
- M. D. Anderson Foundation conditional gift: 2,500,000.00
- Total: $5,024,801.27

This fine, generous and cooperative action upon the part of the Trustees of the Anderson Foundation and the Regents and Administration of the University of Texas has enabled all concerned to activate all of the plans for the prompt and orderly consummation of these building projects.

The goal sought to be obtained was $6,250,000.00. The apparent deficiency in the goal is $1,225,000.00. However, under a provision of the United States Hospital Survey Act, the Congress of the United States appropriated $75,000,000.00 per year, for a period of five years, for aid in the construction of hospitals throughout the United States, such hospitals meeting required specifications of public service and being matched with funds in the ratio of $2.00 for each $1.00 of Federal appropriated funds, and the State of Texas was allocated $5,000,000.00 for each of such years. The University of Texas has applied for a grant of $1,225,000.00 from the United States Government, to be matched by $2,500,000.00 in connection with the building and equipment of the M. D. Anderson Hospital for Cancer Research, in view of the fact that it is a State agency that will relieve regional and community hospitals of cancer patients for whom they cannot make adequate provision. Under the State and Federal law, a joint survey is made of hospitals...
seeking the establishment of a priority, and in this connection, the University of Texas (and its able Director of Cancer Research, Dr. R. L. Clark) has received tentative approval of its priority for the allocation of $1,250,000.00, in the year commencing July 1, 1948.

The next step will be the filing of a formal application in April, in Washington, for Federal approval, at which time preliminary drawings will be submitted before the 1st of July and, if they are approved, the Federal money will be available shortly after July 1, 1948.

This program has received the generous, painstaking and untiring support and assistance of many people of great vision and foresight and now has every prospect of reasonably prompt consummation. I dare not here attempt to assess the credit as it belongs in so many able and competent quarters, but in presenting a report to the Houston Chamber of Commerce I think that it is not inappropriate to mention the services contributed of such inestimable value by your President, Mr. Warren S. Bellows, and your Vice Presidents, Col. W. B. Bates and Hines H. Baker, and your Director, Dr. E. W. Bertner, and the Chairman of your Public Health Committee, Dr. Frederick Elliott, in the several capacities in which they have so diligently, wisely and unselfishly contributed to this program. Their associates in each of their several spheres of particular activity in behalf of the University of Texas have made like contributions, and the Board of Regents of the University of Texas and its Development Board are profoundly grateful for the invaluable support and assistance of each and all of them.

The increased cost of building materials, labor and equipment will undoubtedly bring the cost of these projects above the estimated cost of $6,250,000.00. Recognizing that these projects are the very heart and core of a great Medical Center, the Board of Trustees of the Texas Medical Center have recorded this fact by resolution, and have invited the solicitous consideration of the several great foundations in the City of Houston having philanthropic and educational objectives to the further needs of the University of Texas in the fulfillment of its undertakings in the Medical Center, in the belief that this activity will act as an over-all stimulation to the development of the Texas Medical Center as a whole. I have no doubt that in due season the further necessary aid will be forthcoming from other
foundations who may view with approval not only the accomplishments, but also the unlimited potentialities of this great cooperative undertaking which, after the buildings and equipment are provided, will have the support of the entire State in perpetuity.

Respectfully submitted,

(s) George A. Hill, Jr.
Chairman, University of Texas Development Board

---One of the Best Investments

Even though the State of Texas was thoroughly committed to the institutions it had created for location in the Texas Medical Center, the Legislature was reluctant to appropriate funds for construction purposes during its session in 1949. Legislation was introduced in that session appropriating $1,350,000 for the cancer hospital and $1,000,000 for the dental college. The Chamber of Commerce, Colonel Hill and members of the University's Development Board, the Anderson trustees, Dr. Bertner, Dr. Elliott and others worked long and hard with Senator Searcy Bracwell and Harris County members of the House, and with legislators from other sections of the state to gain approval of the appropriations. The Legislature, however, faced with the prospect of finding new and additional tax sources to finance the rising costs of the state government and its in-place institutions, finally eliminated new construction costs for all institutions from its appropriation bill. It was a discouraging climax to an effort that started with much optimism as the Legislature convened.

Gov. Beauford Jester, who generally had supported the Houston interests in their efforts in behalf of the University's institutions
in the Medical Center, died of a heart attack on July 11, 1949. He was succeeded by Lieut. Gov. Allan Shivers. The new governor was honored by Houston's civic leadership at a dinner Sept. 9, 1949, 1949, arranged by Jesse H. Jones.

At this dinner Governor Shivers asked that the Chamber of Commerce appoint a special committee to study the appropriation requests of the cancer hospital, the dental college and the Texas State University for Negroes (now Texas Southern University), and to prepare a report for him prior to the convening of a special session of the Legislature he intended calling early in 1950. In accordance with the Governor's request, the following committee was appointed: Gus S. Wortham, (American General Insurance Company), chairman; Craig Cullinan, (oil man), vice chairman; Dr. E. W. Bertner, Texas Medical Center president, George Carmack, editor of The Press; - Former Gov. W. P. Hobby, publisher of The Post, and M. E. Walter, editor of The Chronicle. The final report of this committee follows:

January 19, 1950
Honorable Allan Shivers
Governor of Texas
Austin, Texas

Dear Governor Shivers:

As chairman of the Houston committee, named at your suggestion to study appropriations requests of State Institutions located here, I make the following report:

Our survey was made in a thorough and methodical way. We held meetings to organize our committee and plan our procedures. Representatives of the Institutions and their architects were called before the committee to give details on their needs and their programs. Technical advisory committees, made available to us by professional organizations of architects, contractors and engineers, studied the building plans and submitted detailed reports to us. We enlisted the coun-
sel of other leading citizens and of Harris County legislators. We held additional meetings to study and evaluate this volume of information.

On the basis of this comprehensive study of the building needs and proposed building programs of The University of Texas School of Dentistry, the M. D. Anderson Hospital for Cancer Research of The University of Texas, and the Texas State University for Negroes, our Committee has come to the following conclusions:

1. The building programs proposed by these three state institutions are designed to carry forward programs established by actions of the State Legislature.

2. The building plans for the three institutions have been developed only after extensive study not only of the functional requirements of the institutions themselves but also of similar structures throughout the United States. Thus the plans have been made to effect the most economical type of construction possible and to most completely serve the functional requirements of the buildings.

3. On the basis of qualified technical advice, the committee is convinced that the building plans lend themselves to a satisfactory and economical development of engineering features, architecturally and from the construction standpoint.

4. The committee is further convinced, on the basis of this qualified technical advice, that the construction cost estimates are as accurate as they can be made at this time.

5. Qualified architects, engineers and general contractors have advised the committee that the buildings are free from unnecessary and costly features, that they will be economical to build, and that they will serve the purpose for which they are intended with a minimum of operating cost.

In view of these conclusions, and based upon the findings of our committee, we unanimously recommend the following appropriations for these institutions:
1. For the M. D. Anderson Hospital for Cancer Research of the University of Texas . . . . . . $1,580,400.74

2. For the University of Texas School of Dentistry . . . . . . $2,695,942.36

3. For the Texas State University for Negroes:
   (a) Law School Building . . . . $256,629.00
   (b) Science & Pharmacy Building . . . . . . $1,942,725.00
   (c) Dormitory Group - to permit the construction of as much of the $3,347,896.50 proposed program as possible, but not less than . . . . $1,000,000.00

These conclusions and recommendations are respectfully submitted.

Very truly yours,

Gus S. Wortham, Chairman
Governor's Houston Committee

Mr. Wortham's letter was accompanied by a detailed analysis of building proposals of each of the three institutions.

The special session approved the appropriation for the cancer hospital as part of a $25,612,000 allocation for eleemosynary institutions, made possible by the passage of two tax bills to raise $75,000,000 for the maintenance and building of state hospitals and special schools. (The appropriations for the dental college and Texas Southern University were approved at the following regular session of the Legislature in 1951).

Governor Shivers signed the cancer hospital bill on March 1, 1950, at a ceremony where he said the appropriation was "one of the best
investments the state has ever made." Present at the ceremony were Dr. Randolph Lee Clark, director of the hospital; Representatives Carlton Moore, William E. Miller, Bob Casey, Jim Heflin and Jeff Woodruff, and Senator Bracewell, all of whom had worked long and hard in behalf of the legislation.

The legislative appropriations made in 1950 and 1951 to the cancer hospital and the dental college made possible the start of construction of their facilities in the Medical Center. The state funds were supplemented by monies supplied by the M. D. Anderson Foundation, other philanthropies, and by grants of the Federal Government for such purposes.

The University of Texas, whose proposed cancer hospital started the chain of events that resulted in creation of the Texas Medical Center, thus became, at long last, firmly established in the Medical Center, where it is making immeasurable contributions to the benefit of mankind. (The University's growth and development in the Medical Center are detailed in a later section of this study).