

William Otey Reed, a nine-term representative who was speaker during the 50th Legislature, authored the "pay-as-you-go" provision of the Texas Constitution requiring the balancing of the state's biennial budget. During his fifth term in the house in 1941, he introduced a joint resolution proposing a constitutional amendment to the effect that legislative appropriations not exceed anticipated revenue. Under Reed's amendment, which was approved by Texas voters in 1942 and which took effect in 1945, the comptroller of public accounts is responsible for providing in advance of each regular session an estimate of expected revenue for the upcoming biennium. Except in case of emergency, and then only with a four-fifths vote of the combined house and senate, the legislature may not appropriate funds in excess of that estimated amount. Before an appropriations measure goes to the governor for signature, moreover, the comptroller must certify it as being within the constitutional limit.

Born in Dallas on May 12, 1902, William Otey Reed was the youngest of 10 children. His father, who farmed the bottom lands along the Trinity River in a continuing struggle against its annual floods, died when Reed was one year old. To supplement the family income, Reed, while still a young boy, sold newspapers on the street corners of downtown Dallas. He acquired considerable skills in street fighting as the sellers competed with one another to secure the best corner.

In 1917 he quit high school and began working for the city water department. Three years later, he secured a job in the accounting department of the Texas & Pacific Railway. Reed's association with the railway lasted from 1920 to 1948. Having worked there several years, he decided to become an attorney, and in 1930 after extensive night studies earned his license to practice law. Shortly thereafter, he joined the railway's legal staff, specializing in rate work.

Reed ran for state representative in 1932 and was elected to the 43rd Legislature. A representative for 18 consecutive years, he became speaker in the 50th Legislature of 1947 and served his final term in the 51st. In 1950, he made an unsuccessful bid for the lieutenant governorship.

In 1948 Reed left Texas & Pacific Railway to work with an independent law firm. Following his campaign for lieutenant governor, he became a counsel in Washington, D.C., for the Texas railroad industry. Reed continued in this capacity until 1967, when he retired. He died two years later in Dallas on October 28, 1969.