



## PRESS RELEASE

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### CA Lottery Announces *Daily Derby*® Special Promotion

**SACRAMENTO** – The California Lottery today announced a special promotion following the recent discovery of a software error affecting machines selling *Daily Derby* tickets. Though the Lottery’s research indicates the issue never impacted a player’s odds of winning, prize amounts for winning tickets may have been affected for a subset of players.

*Daily Derby* is one of eight unique draw games offered by the California Lottery, and sales from this game typically represent less than one half of one percent of the Lottery’s annual revenue. Only *Daily Derby* tickets – and no other California Lottery games – were affected by the error.

*Daily Derby* players select two sets of three numbers – the first numbers representing three horses to finish in first, second, and third places and the second set of numbers representing the winning race time.

#### **What Happened**

The software error affected two specific kinds of California Lottery ticket machines and only under certain circumstances, depending on how a person chose to play and purchase *Daily Derby* tickets. The error impacted only those who used the Quick Pick® option. That feature is for players who don’t want to choose their own numbers and instead prefer the gaming system selects for them.

The machines affected by the error produced Quick Pick tickets with numbers only in ascending order. The software issue also affected the race time number selections in some cases, with numbers only being printed on tickets in ascending order and with no repeating digits.

The error was traced back to a programming mistake on the part of International Game Technology (IGT), the California Lottery’s gaming partner.



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Upon discovery of the issue, the California Lottery acted immediately to correct the software problem within 24 hours.

### **Impact on Players**

Players who bought their tickets from the affected machines received a random Quick Pick selection from only a fraction of all possible combinations. Importantly, California Lottery's research indicates that the odds any player had to win *Daily Derby* were never impacted because all potential number combinations have the same probability of winning. Players who purchased their tickets from an impacted machine were still given a valid set of numbers. The California Lottery's system that randomly selects the winning numbers in a *Daily Derby* drawing was never affected by the software error.

California Lottery business analysts estimate that approximately 20% of *Daily Derby* wagers were affected by the error, translating into about 4 million each year. For context, more well-known and popular games like *Powerball*® and *Mega Millions*® generate hundreds of millions of wagers each year.

Although the odds of winning were not affected, prize payments on winning *Daily Derby* tickets may have been impacted by the software error. In California, prize amounts are split among the number of players who won in the same way. Because the error resulted in a subset of players having access to only limited combinations of numbers, more winners were likely produced when these limited combinations turned out to be selected than in cases where the winning numbers matched those from the larger pool of all possible combinations.

### **Special Promotion**

Starting tomorrow on July 16, 2024, the overall prize pool for *Daily Derby* will be boosted by \$100,000 each day for 12 days. This means winners at any prize level will have the opportunity to win bigger prizes than they would without the promotion. If the grand prize is not won during the promotional period, the money added to the grand prize will remain in the pot until someone wins the top prize.

In all, the California Lottery will add \$1.2 million to the *Daily Derby* prize fund for the 12-day timeframe, ending Saturday, July 27, 2024. The additional money will come from IGT, not funds that are directed to California public education.

For more information about how to play *Daily Derby*, please visit the California Lottery website [here](#).

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The mission of the California Lottery is to raise additional funding for public education, helping to supplement school budgets for K-12 as well as colleges and universities. **The California Lottery has raised more than \$43.8 billion for public schools** through the responsible sale of its games since 1985. Lottery funding for schools is largely discretionary, so administrators and educators can use Lottery money for instructional programs and services they may not otherwise afford. The California Lottery features eight [draw games](#) and dozens of new instant [Scratchers](#) games each year. More than 95% of California Lottery sales revenue goes back to the community in the form of prize payments, [retailer commissions and bonuses](#), and contributions to education. More information about who benefits can be found [here](#). California Lottery is also committed to promoting [responsible gaming](#). Anyone who shows signs of a gambling problem, or knows someone who does, can get free, confidential help by calling the CA Problem Gambling Hotline at 1-800-GAMBLER.



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