The Track-Level Squeeze: Tracing Keselowski's Domino Effect Through Policy

Apex Motorsports Policy — Analysis

I. What Keselowski Is Actually Diagnosing

Brad Keselowski occupies an unusual seat in NASCAR: he is both a Cup Series driver and a co-owner of RFK Racing, which means he experiences the sport's economics from the cockpit and the balance sheet simultaneously. So when he talks about structural problems, it is worth listening closely. Over the past year, he has returned repeatedly to one theme: the sport's problems don't start with the teams, the broadcast package, or the playoff format. They start at the track.

His argument, laid out in interviews and public comments, runs roughly as follows. Most NASCAR venues generate meaningful revenue only a handful of days per year. Visit a typical speedway on a Tuesday three weeks before or after its race date, he has observed, and you'll find a skeleton staff and an empty property. Because tracks can't generate sufficient revenue on their own, they either fail to raise the capital needed to invest in the fan experience, or they survive on subsidy from the sport's media-rights money. Either way, he warns, the consequence is what he calls a domino effect: underinvested facilities produce a fan experience that doesn't rival other major sports, which suppresses attendance and revenue, which drains cash flow that could otherwise reach teams and fund things like testing, development, and the competitive innovation the racing product depends on.

It is a business diagnosis, and as far as it goes, it is accurate. But it is incomplete in one important way. Nearly every lever Keselowski points at is not purely a business variable. It is a policy variable. Whether a track can diversify its revenue, how much its capital investment costs, what it is allowed to build on its own land, and even who owns it in the first place: all of these are shaped by decisions made in statehouses, city councils, and regulatory agencies. The domino effect Keselowski describes is real. But the first domino is often pushed, or held upright, by government.

This report traces each link in his causal chain back to its policy roots, and asks the question his framing raises but does not answer: is the track-level squeeze a management problem the industry can solve on its own, or a structural one that runs through public policy?

II. The Causal Chain, Reread as a Policy Chain

Keselowski's chain has four links: track revenue, then fan experience, then team cash flow, then competitive health. Read as a business story, each link is about capital allocation. Read as a policy story, each link looks different.

Track revenue is not simply a function of how well a venue is managed. It is a function of what the venue is *legally permitted to sell*. A track that can host gaming, betting lounges, concerts, or year-round entertainment districts has a categorically different revenue ceiling than one confined by law or zoning to hosting races. That permission structure is set by state gaming statutes, local land-use codes, and liquor and entertainment licensing, not by track management.

Fan experience investment is not simply a function of available cash. It is a function of the *cost of capital*, and states routinely lower that cost for venues they favor. Stadiums and arenas across American professional sports are financed through public bonds, tax-increment districts, and dedicated incentive programs. Where motorsports venues can access the same tools, capital projects that would be marginal become feasible. Where they cannot, tracks pay full freight for improvements their stick-and-ball competitors get subsidized.

Team cash flow is downstream of both, but it is also directly policy-exposed in its own right, through everything from state tax treatment of race teams and equipment to the sport's revenue-sharing structures, which were contested all the way into a federal antitrust trial before NASCAR settled with 23XI Racing and Front Row Motorsports in December 2025.

Competitive health (testing, development, innovation) is what remains after the first three links have taken their toll.

The rest of this report takes the three policy levers underneath that chain in turn: gaming and revenue diversification, tax incentives and public financing, and land use. It then adds a fourth that Keselowski gestures at but doesn't name: ownership concentration.

III. Lever One: Gaming Law and the Revenue Diversification Question

The clearest proof that policy sets a track's revenue ceiling comes from an adjacent corner of American racing: horse tracks. Beginning in the 1990s, as pari-mutuel wagering declined, states began authorizing "racinos," the pairing of racetracks with slot machines and casino gaming, explicitly as a lifeline for venues that could no longer sustain themselves on racing alone. The model spread across states including Delaware, New York, Indiana, Iowa, Louisiana, and West Virginia. The results were transformative for venue economics. Gaming revenue at these properties came to dwarf racing revenue, subsidizing purses and keeping tracks alive that market forces alone would have closed. Industry estimates have put the annual cross-subsidy from gaming operations to racing at hundreds of millions of dollars nationally.

NASCAR has one prominent example of this model sitting directly beside one of its own venues: the former Dover Downs, now Bally's Dover Casino Resort, a full casino, hotel, and sportsbook complex adjacent to Dover Motor Speedway, operating under Delaware's state-licensed racino framework. It is a standing demonstration of what a motorsports property can look like when state gaming law permits a

venue campus to monetize every week of the year rather than a few race weekends.

But the racino story carries a warning as well as a promise. In several states, the gaming side of these properties eventually sought to "decouple," meaning to separate their casino licenses from their racing obligations and drop the racing entirely, arguing the races had become a subsidized appendage. States including Iowa, West Virginia, and Florida have entertained or passed decoupling legislation. The lesson for motorsports is double-edged: gaming law can dramatically raise a track's revenue ceiling, and gaming revenue can also, over time, reorder a property's priorities away from racing itself.

For NASCAR-hosting tracks today, the live policy questions are narrower but real: whether states permit on-site sportsbooks and betting lounges at motorsports venues; whether tracks can share in market-access value when states tie sports betting licenses to partnerships with professional sports organizations (North Carolina's framework, which NASCAR engaged with directly, is the notable example); and how the unresolved fight between state gaming regulators and federally regulated prediction markets will reshape what track-adjacent wagering is even worth. Every one of those questions is decided in a legislature or an agency, not in a track's front office.

IV. Lever Two: Tax Incentives and the Cost of Capital

If gaming law sets the revenue ceiling, state incentive policy sets the cost of raising a roof. And here the motorsports record is instructive, because the tools exist. They are just unevenly available.

Indiana provides the cleanest case study. In 2013, the state created a Motorsports Investment District around the Indianapolis Motor Speedway, the first time in the track's century-plus history it had sought public money. The mechanism captures incremental state sales and income taxes generated within the district and directs them toward bonds financing capital improvements at the track, with IMS itself contributing annual payments. The program was sized to support roughly $100 million in improvements, and a decade on, Indiana's own fiscal analysts reported that more than $30 million in district tax revenue had been credited toward the bonds, alongside measurable growth in the district's sales tax, income tax, and assessed property values. The state's official evaluation treats it as a working model: a mechanism for financing track capital investment out of the economic activity the track itself generates.

Kansas offers a second model. The state's STAR bond program, which finances tourist attractions through future sales-tax revenue from a special district, explicitly lists "major motorsports complex" and "auto racetrack facility" among eligible project types, and Kansas Speedway was one of the program's early anchor projects. State auditors later found the Speedway among the attractions actually meeting the program's out-of-state tourism goals. That is a meaningful data point, since the standard criticism of venue subsidies is that they merely shuffle local spending around. A motorsports venue that demonstrably imports visitors is the strongest version of the public-financing case.

Set against these examples, Keselowski's complaint comes into sharper focus. The problem is not that public financing tools for track investment don't exist; Indiana and Kansas prove they do. The problem is that access to them is a patchwork. A track's ability to finance the fan-experience investment Keselowski is calling for depends heavily on which state it sits in, whether that state's legislature has extended venue-financing tools to motorsports at all, and whether the track has the political capital to win a district of its own. Stick-and-ball stadiums have spent decades normalizing public participation in venue financing. Motorsports has secured it only episodically, and the tracks that haven't are competing for fans against venues that did.

There is also a live warning embedded in the Kansas example: incentive programs are not permanent. The STAR bond program itself faced a statutory sunset in 2026 and was renewed only through legislative action, extended to July 1, 2031 via HB 2466 with a new visitation-tracking requirement attached to future projects. It survived this time, but every incentive a track relies on is subject to the next renewal fight. Tax policy giveth, and tax policy can quietly expire.

V. Lever Three: Land Use, Zoning, and the Non-Race-Day Problem

Keselowski's most vivid image, the empty track on a Tuesday, is at bottom a land-use problem. The obvious answer to a property that monetizes a handful of weekends per year is to put more things on the property: concerts, festivals, retail, hospitality, entertainment districts, year-round attractions. Every one of those uses runs through local zoning, permitting, noise ordinances, and, for the many historic venues sitting on public land, the political process itself.

Nashville is the defining current example. Speedway Motorsports' multi-year effort to renovate the Fairgrounds Speedway and return top-level NASCAR racing to the venue has been shaped at every step by public process: a Fair Board approval, years of Metro Council delay, an ethics fight, and two successive referendum campaigns aimed at restricting fairgrounds racing by charter amendment, the first of which was voided in court. The venue's existing operations already run under negotiated community agreements governing curfews, noise, and a capped number of events per year. Whatever one thinks of the merits, the Fairgrounds fight is a live demonstration that a track's ability to invest, expand, and diversify is not a private business decision. It is a political negotiation, and an increasingly contested one as urban development presses up against venues that were once on the outskirts of town.

The same dynamic, at lower intensity, governs tracks everywhere. Noise ordinances cap event calendars. Zoning determines whether adjacent land can become the mixed-use entertainment district that modern stadium economics favor. And neighbors who arrived after the track did have proven repeatedly willing to organize against expanded use. The tracks best positioned to escape the Tuesday problem are those whose local governments treat them as anchor economic assets to be built around. The tracks worst positioned are those whose local politics treat them as a nuisance to be contained. Management quality matters far less to that distinction than political positioning does.

VI. The Fourth Lever: Ownership Concentration

There is a structural fact underneath all three levers that Keselowski's framing implies but doesn't name: who owns the tracks. NASCAR itself, through its 2019 acquisition of International Speedway Corporation, owns twelve of the twenty-eight unique venues on the current Cup Series schedule. Speedway Motorsports owns ten more. Genuinely independent venues hosting top-level NASCAR racing are now the exception.

Ownership shapes each policy lever differently. A track owned by NASCAR or SMI brings corporate scale to statehouse negotiations: dedicated government affairs capacity, the credible ability to move dates between markets, and a portfolio-wide view of which states offer the best incentive terms. That leverage is real. The implicit competition between states for race dates functions much like the competition for stadium franchises, and consolidated owners are best positioned to harvest it. An independent track has none of that leverage, and the incentive patchwork described above tilts accordingly.

But consolidation cuts the other way, too. When the sanctioning body itself owns the plurality of venues, the sport's internal revenue allocation, meaning how much media money subsidizes tracks versus flows to teams, is set by an entity with interests on the track side of the ledger. That tension went all the way to a federal courtroom. The antitrust suit brought by 23XI Racing and Front Row Motorsports put team-side economics and NASCAR's structural control of the sport directly at issue, with economist testimony at trial putting the alleged shortfall to chartered teams in the hundreds of millions before NASCAR settled mid-trial in December 2025, agreeing, most consequentially, to make charters permanent for all Cup Series teams. The settlement resolved the case but validated the underlying complaint's force: it took federal litigation to shift the sport's revenue architecture in the teams' direction. Keselowski's argument that track subsidies drain cash that could reach teams is, in effect, the plainspoken version of the case that got NASCAR to the table.

The consolidation lens also reframes the Nashville fight. The Fairgrounds battle is not just one venue's zoning dispute. It is a test of whether the consolidated-owner playbook (corporate capital, professional government affairs, patient multi-year political campaigns) can secure urban venue deals in contested political environments. Its outcome will inform how every similar project is approached.

VII. Structural or Solvable?

So: is the track-level squeeze a management problem or a policy problem?

The honest answer is that it is a policy-shaped problem with a management layer on top. Track operators make real choices about programming, investment, and creativity in filling their calendars, and some venues have demonstrably outperformed others with the same legal constraints. But the outer bounds of what any track can do (what it may sell, what its capital costs, what it may build) are set externally. Three tests make the point.

The variation test. If the squeeze were purely managerial, track economics would vary mainly with management quality. Instead, they vary conspicuously with jurisdiction. The track beside a state-licensed casino, the track inside a motorsports investment district, and the track capped at a negotiated number of events per year by community agreement face categorically different economics before a single management decision is made.

The precedent test. The horse-racing industry ran this experiment first. Racing venues that could not sustain themselves were transformed where, and only where, state legislatures permitted gaming on the property. The determining variable was statutory, not managerial.

The counterfactual test. Imagine every NASCAR venue could access an Indiana-style investment district, host state-authorized gaming amenities, and build out adjacent entertainment uses by right. Keselowski's Tuesday problem would not vanish, but the capital constraint he describes would look dramatically different. None of those changes is within a track's unilateral power. All of them are within a legislature's.

VIII. Apex's Read: Where This Heads

Three trajectories seem most likely from here.

First, the incentive competition will intensify and formalize. As media-rights growth flattens across sports and venue economics tighten, expect consolidated track owners to pursue Indiana-style district mechanisms more systematically, and expect states with motorsports employment bases to compete for that investment the way they compete for stadiums. The sophistication gap will widen: portfolio owners will run this playbook well, and independent venues largely won't, accelerating the sport's consolidation by policy default even absent any further acquisition.

Second, gaming is the most plausible new revenue layer, and the most policy-contingent one. The infrastructure of legalized sports betting, the precedent of track-adjacent gaming in Delaware, and the unresolved prediction-market fight together make wagering the most realistic path to the year-round monetization Keselowski is calling for. But every version of it runs through state gaming law, and the current federal-state conflict over event contracts means the ground is still moving. Tracks and their owners that invest in gaming-policy capacity now will be positioned when the framework settles; those that wait will take whatever terms emerge.

Third, the Nashville outcome will echo. If SMI ultimately lands the Fairgrounds deal, it validates the patient political-campaign model for urban venue investment and will embolden similar projects. If the deal dies, it signals that even sophisticated, well-capitalized owners cannot reliably overcome organized local opposition, which would push future track investment away from contested urban sites toward jurisdictions that actively court it, with real consequences for which markets NASCAR races in a decade from now.

Keselowski is right about the dominoes. But the striking thing, once the chain is traced to its origins, is how many of them stand or fall in appropriations committees, gaming commissions, zoning boards, and city councils. The sport's competitive future is being shaped in those rooms as surely as it is in the garage.

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