

Electronic Lien and Title (ELT)

Secretary of State-State of Illinois-Info Page For Members

Illinois uses an Electronic Lien and Title (ELT) system. Instead of printing and mailing a paper vehicle title while there's a loan on the vehicle, the Illinois Secretary of State keeps the title electronically and records the credit union as the lienholder.

This new law became effective for all titles issued on or after July 1, 2026.

What this means for you:

- Your ownership of the vehicle doesn't change
- The credit union's lien is recorded electronically with the state.
- There is no paper title to keep while the loan is active.
- After your loan is paid in full, CWCU electronically releases its lien and requests a paper title from the Illinois Secretary of State. The paper title is first sent to CWCU, then forwarded to the borrower, another lender (if refinancing), or a dealership (if the vehicle was traded in).

Frequently Asked Questions

"Where is my title?"

Your title is stored electronically by the Illinois Secretary of State while your loan is active. CWCU does not have a paper title.

"Can I sell my car?"

Yes. If you sell or trade in the vehicle before the loan is paid off, the lien will need to be satisfied as part of the sale, just as with a paper title.

"What happens when I pay off my loan?"

After your loan is paid in full, CWCU submits an electronic lien release to the Illinois Secretary of State. Once the lien is released, the credit union requests a paper title from the Secretary of State. The paper title will then be mailed to:

- Commonwealth CU, which we will mail to the owner/borrower upon receipt
- another lender (if you refinance), or
- the dealership (if you traded in your vehicle)

Subject to Illinois Secretary of State procedures.

Please note: Because the Illinois Secretary of State issues the paper title after the lien is released, **Commonwealth Credit Union does not have your title available immediately after payoff**. If you plan to sell your vehicle in a private-party sale, please allow additional time for the paper title to be received. Since this is a new statewide electronic title process, we are unable to estimate how long it will take the Secretary of State to issue the paper title.

"Is an electronic title less secure?"

No. Electronic titles are generally more secure because they reduce the risk of lost, stolen, or altered paper titles.

Benefits of ELT Titles:

For members & the credit union:

- Faster lien recording/releases
- Faster processing
- Reduced mailing costs/lost titles
- Better protection against title fraud