Requires the six four-year institutions of higher education to: (1) Create and implement a peer mentoring program modeled after the pilot program launched in fall 2009 at Western Washington University; and

(2) Working with the state board for community and technical colleges, identify one or more community or technical colleges with which to partner in the program.

Revises the definition of "needy student," for purposes of the state work-study program, to include students in the peer mentoring program.

Authorizes the office of student financial assistance to award grants to institutions participating in the peer mentoring program.